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IN THE UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF TEXAS  
MARSHALL DIVISION

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OPTIS WIRELESS TECHNOLOGY, ) ( CIVIL ACTION NO.  
LLC, OPTIS CELLULAR ) ( 2:19-CV-66-JRG  
TECHNOLOGY, LLC, PANOPTIS ) (  
PATENT MANAGEMENT, LLC, ) (  
UNWIRED PLANET, LLC, UNWIRED ) (  
PLANET INTERNATIONAL LIMITED, ) (  
PLAINTIFFS, ) (  
VS. ) (  
MARSHALL, TEXAS  
AUGUST 6, 2020  
8:31 A.M.  
APPLE INC., ) (  
DEFENDANTS. ) (  
)

TRANSCRIPT OF JURY TRIAL

MORNING SESSION

BEFORE THE HONORABLE JUDGE RODNEY GILSTRAP

UNITED STATES CHIEF DISTRICT JUDGE

APPEARANCES:

FOR THE PLAINTIFFS:

MR. SAMUEL F. BAXTER  
MS. JENNIFER TRUELOVE  
MCKOOL SMITH, P.C.  
104 E. Houston Street  
Suite 300  
Marshall, TX 75670

MR. JASON G. SHEASBY  
MS. ANNITA ZHONG  
IRELL & MANELLA LLP  
1800 Avenue of the Stars  
Suite 900  
Los Angeles, CA 90067

1 FOR THE PLAINTIFFS:

2

3 MR. STEVEN J. POLLINGER  
4 MR. SETH R. HASENOUR  
5 MCKOOL SMITH, P.C.  
6 300 W. 6th Street  
7 Suite 1700  
8 Austin, TX 78701

6

7 MR. JONATHAN YIM  
8 MCKOOL SMITH, P.C.  
9 One Manhattan West  
10 395 9th Avenue  
11 50th Floor  
12 New York, NY 10001

10

11 MR. CHRISTOPHER P. MCNETT  
12 MCKOOL SMITH, P.C.  
13 1999 K Street, NW  
14 Suite 600  
15 Washington, DC 20006

14 MS. INGRID PETERSEN  
15 MS. KELSEY SCHUETZ  
16 IRELL & MANELLA LLP  
17 840 Newport Center Drive  
18 Suite 400  
19 Newport Beach, CA 92660

18 FOR THE DEFENDANT:

19

20 MR. JOSEPH J. MUELLER  
21 WILMER CUTLER PICKERING  
22 HALE & DORR, LLP  
23 60 State Street  
24 Boston, MA 02109

23 MR. MICHAEL J. SUMMERSGILL  
24 WILMER CUTLER PICKERING  
25 HALE & DORR, LLP  
60 State Street  
Boston, MA 02109

1 FOR THE DEFENDANT:

2 MS. MELISSA R. SMITH  
3 GILLAM & SMITH, LLP  
4 303 South Washington Avenue  
Marshall, TX 75670

5

6

7

8 COURT REPORTER: Ms. Shelly Holmes, CSR, TCRR  
9 Official Court Reporter  
United States District Court  
10 Eastern District of Texas  
Marshall Division  
11 100 E. Houston  
Marshall, Texas 75670  
12 (903) 923-7464

13

14 (Proceedings recorded by mechanical stenography, transcript  
produced on a CAT system.)

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## P R O C E E D I N G S

(Jury out.)

COURT SECURITY OFFICER: All rise.

THE COURT: Be seated, please.

All right. Are the parties prepared to read into the record those items from the list of pre-admitted exhibits used during yesterday's portion of the trial?

MR. MUELLER: We were just having a discussion about that, Your Honor.

MS. SCHUETZ: Yes, Your Honor. I'm prepared to read the exhibits the parties have agreed to. I'm not aware of the objections that they -- that we still have to two of the exhibits that were used yesterday.

THE COURT: I don't understand why there hasn't been time for you all to fully discuss and resolve this. I mentioned it before we recessed yesterday evening. I'm not going to hold up this trial while you all argue about whether something was or wasn't used before the jury. I want to hear what you have agreed to, and then tell me what you have not agreed to.

MS. SCHUETZ: Yes, Your Honor. So there are -- there's one exhibit that Plaintiffs would like to withdraw that was read into the record yesterday that was not used at trial, and that is PX-0136.

Then there are a number of exhibits that were

08:33:24 1 omitted from what was read into the record yesterday, and  
08:33:27 2 these will be added to the list that was admitted on Day 2.  
08:33:35 3 These are PX-3, 63, 94, 96, 113, 548a, 1525, 1688, 1743,  
08:33:48 4 1893, 1990, 1996, 2052, 2074, 2109, 2129, 2362, 2366, 2367,  
08:34:07 5 2535, 2551, 2552, 2553, 2554 --

08:34:14 6 THE COURT: Slow down.

08:34:15 7 MS. SCHUETZ: -- 2555, 5107, 5262, 5263, and 5265.

08:34:24 8 THE COURT: And you're telling me all of these  
08:34:25 9 should have been read into the record yesterday but somehow  
08:34:28 10 they were overlooked?

08:34:29 11 MS. SCHUETZ: Yes, Your Honor, that's correct.  
08:34:30 12 Those were used --

08:34:30 13 THE COURT: How do you overlook this many? I  
08:34:34 14 mean, this is not two or three; this is maybe 20. How do  
08:34:37 15 you overlook 20 exhibits?

08:34:39 16 MS. SCHUETZ: Your Honor, they -- they were not on  
08:34:40 17 our list to read yesterday. There was just a mistake that  
08:34:44 18 was made, and they weren't included on the list.

08:34:47 19 THE COURT: Is there an objection to withdrawing  
08:34:49 20 PX-0136 and including the additional Plaintiffs' exhibits  
08:34:56 21 beginning at PX-3 and having gone through the entire list  
08:35:00 22 that was just read?

08:35:01 23 MR. MUELLER: No objection, Your Honor.

08:35:03 24 THE COURT: All right. We'll consider those  
08:35:04 25 corrections made.

08:35:05 1 MS. SCHUETZ: Yes, Your Honor.

08:35:06 2 And now we have the list of exhibits that were  
08:35:09 3 used yesterday, at Day 3 of trial; and these are agreed to  
08:35:12 4 between the parties.

08:35:13 5 This is PX-4, 22, 69, 935, 937, 940, 1005, 1009,  
08:35:28 6 1561, 1722, 1754, 1791, 2015, 2086, 2129, 2551, 2552, 2554,  
08:35:47 7 2855, 5137, 1525, 1009, 1791, 1494, 0051, 2821, 0190, 0337,  
08:36:09 8 0192, 0360, 0374, 5301, 1537b, 1281, 1175, 0076, 0374,  
08:36:28 9 1282, 1290, 497, 1612, 494, 5283, 5284, 5285, 5286, 1405,  
08:36:48 10 5278, 5288, 35, 5293, 5294, 0387a, 5281a, 5280a, 5289a,  
08:37:08 11 0484a, 1491a, Plaintiffs' Exhibit 2, 84, 85, 86, 90, 91,  
08:37:22 12 119, 120, 123, 126, 2015, 548a, 1537a, 1695, 1760, 1965,  
08:37:42 13 2142, 2735; and then there are three Defendant's trial  
08:37:48 14 exhibits, which are DTX-1931, DTX-1932, and DTX-1947.

08:37:57 15 That is the list.

08:37:57 16 THE COURT: Are these agreed to?

08:37:59 17 MR. MUELLER: Yes, Your Honor.

08:38:00 18 THE COURT: And then I understand there is some  
08:38:04 19 universe of other exhibits that are in dispute as to  
08:38:07 20 whether they were actually used during yesterday's portion  
08:38:10 21 of the trial?

08:38:11 22 MR. MUELLER: There's -- there's two, Your Honor;  
08:38:12 23 and there may be only one.

08:38:13 24 One was -- the first one, which I think is a  
08:38:16 25 little bit easier. PX-1571 is another version of the '833

08:38:21 1 patent. It was on Plaintiffs' pre-admitted exhibit list.  
08:38:25 2 The reason why we -- okay. So there's no objection to  
08:38:29 3 that, as I understand it. That's PX-1571.

08:38:33 4 THE COURT: All right.

08:38:34 5 MR. MUELLER: And then the remaining one is  
08:38:37 6 DTX-171.

08:38:38 7 Your Honor may recall this is the -- the ETSI --  
08:38:47 8 the ETSI working group that Mr. Summersgill used during the  
08:38:52 9 cross-examination of Dr. Madisetti. It discussed Dae Won  
08:38:56 10 Lee's proposal to ETSI that was -- one of the subjects of  
08:38:59 11 Dr. Madisetti's testimony was that proposal to ETSI.

08:39:01 12 And there was extensive cross-examination about  
08:39:05 13 the substance of that document. There was also redirect  
08:39:08 14 testimony on the substance of the exhibit. This is at 473,  
08:39:11 15 Lines 1 through 18. There's no objection to our use of  
08:39:16 16 that exhibit.

08:39:16 17 THE COURT: Show me what was presented to the  
08:39:18 18 jury. Do you have a slide with this on there?

08:39:25 19 MR. MUELLER: It's also, I guess, on their exhibit  
08:39:27 20 list, PX-1801. But I can show you on the document. We did  
08:39:27 21 not use it as a slide.

08:39:32 22 Mr. Lee, can you please pull it up?

08:39:33 23 This is it, Your Honor. You may recall seeing  
08:39:36 24 this yesterday. This is the document that was used with  
08:39:38 25 Dr. Madisetti, and the substance of the document was

08:39:41 1 discussed.

08:39:42 2 Now, I'll note that there was discussion at the  
08:39:44 3 pre-trial, I believe in the context of one of the motions  
08:39:48 4 in limine, about materials --

08:39:48 5 THE COURT: Slow down, Mr. Mueller.

08:39:50 6 MR. MUELLER: I'm sorry.

08:39:51 7 -- about materials for standards groups. And I  
08:39:54 8 don't recall precisely what Your Honor said at the end of  
08:39:56 9 the colloquy on that, but I think what was the gist of --  
08:40:00 10 of Your Honor's ruling is that we would take them as  
08:40:03 11 they -- they came, that you weren't going to let in random  
08:40:07 12 emails, but if we had something that reflected the actual  
08:40:10 13 operations of the working group, that's a different matter.

08:40:14 14 That's what this is. This is an email --

08:40:16 15 THE COURT: Let me hear Plaintiffs' response.

08:40:18 16 MS. TRUELOVE: Your Honor, very simply, our  
08:40:20 17 understanding and our takeaway from the pre-trial was that  
08:40:22 18 they could use this as a demonstrative. It was not  
08:40:26 19 pre-admitted, that they could put it before the witness,  
08:40:28 20 but it wasn't to be admitted into evidence, which is why we  
08:40:32 21 didn't -- we didn't lodge an action at that point because  
08:40:38 22 our understanding all along is that it should have been  
08:40:41 23 only used as a demonstrative.

08:40:42 24 THE COURT: Scroll to the bottom of the document  
08:40:44 25 for me.



08:40:45 1 It's marked as DTX-0171. And I assume it was so  
08:40:50 2 marked when it was used during yesterday's portion of the  
08:40:51 3 trial?

08:40:52 4 MR. MUELLER: That's right, Your Honor.

08:40:55 5 MS. TRUELOVE: We simply -- we didn't lodge an  
08:40:59 6 objection because our understanding all along is that the  
08:41:01 7 ruling from the Court is that it could be used as a  
08:41:04 8 demonstrative. I think if Defendants had the impression  
08:41:07 9 from the Court that it was subject to a motion in limine, I  
08:41:09 10 think they had an obligation to approach prior -- prior to  
08:41:13 11 using it.

08:41:16 12 THE COURT: I remember seeing that marking on it  
08:41:18 13 yesterday, Ms. Truelove. I don't know why being marked as  
08:41:24 14 Defendant's Exhibit 171 would comport with you only  
08:41:30 15 thinking it was only being used as a demonstrative and then  
08:41:33 16 not saying anything about it.

08:41:39 17 It clearly has been used in front of the jury. It  
08:41:42 18 clearly is a pre-admitted exhibit. It was presented as an  
08:41:45 19 exhibit when it was shown to the jury. I'll consider it  
08:41:48 20 part of the record in the case.

08:41:49 21 MS. TRUELOVE: All right. Just for the record, I  
08:41:52 22 mean, we just view, again, that it was pre-admitted; and  
08:41:53 23 our understanding is that it was only to be used as a  
08:41:56 24 demonstrative.

08:41:57 25 THE COURT: All right. So noted.

08:41:59 1 MR. MUELLER: That's all we have, Your Honor.

08:42:00 2 THE COURT: All right. Is there some desire,  
08:42:05 3 Mr. Summersgill, to use the easel with one or more of the  
08:42:07 4 witnesses you're going to take? Tell me about what your  
08:42:12 5 request is in that regard.

08:42:13 6 MR. SUMMERSGILL: Yes, Your Honor. We'd like to  
08:42:15 7 use the whiteboard with Dr. Josiam and Mr. Ramaprasad, the  
08:42:21 8 Intel/Apple engineers who designed the products, to explain  
08:42:25 9 some aspects of the operation of the Intel.

08:42:25 10 THE COURT: Tell me what you propose to do it and  
08:42:27 11 where you propose to do it.

08:42:30 12 MR. SUMMERSGILL: We were hoping to put the  
08:42:32 13 whiteboard right out in front of the jury, and I'd only ask  
08:42:35 14 them to get up once or twice just to explain some -- some  
08:42:39 15 of the operation of the Intel products.

08:42:41 16 THE COURT: Are you going to ask them to draw  
08:42:43 17 something? Are you going to ask them to react to something  
08:42:46 18 you're going to have drawn on the chart? Are you --

08:42:46 19 MR. SUMMERSGILL: I'm going to --

08:42:52 20 THE COURT: -- going to present some demonstrative  
08:42:54 21 that's already prepared and ask them to check a box? What  
08:42:57 22 are you going to do?

08:42:58 23 MR. SUMMERSGILL: I am going to hand them --  
08:42:58 24 they're going to have a white -- just a blank white board,  
08:43:01 25 and I'm going to ask them to draw --

08:43:03 1 THE COURT: When you say "white board," you mean  
08:43:05 2 the flip chart that I'm looking at that's in the courtroom?

08:43:07 3 MR. SUMMERSGILL: Yeah. We -- we -- we can use  
08:43:09 4 this. And it will be blank, and I'll ask them to draw  
08:43:12 5 something to help them explain how the Intel chips in the  
08:43:18 6 Apple products operate.

08:43:20 7 THE COURT: And you expect each of them to make  
08:43:22 8 perhaps one trip to this board during their examination?

08:43:26 9 MR. SUMMERSGILL: Yes, Your Honor.

08:43:26 10 THE COURT: Is there objection from the Plaintiff?

08:43:28 11 MR. SHEASBY: So, I think there's two issues.  
08:43:31 12 One, I'm not going to be able to see it; and I have  
08:43:33 13 eyesight issues. And, so, would it be -- is there -- can I  
08:43:37 14 see over there so I can see them while they're drawing it?

08:43:40 15 THE COURT: Well, ordinarily, Mr. Sheasby, I  
08:43:45 16 wouldn't care where you were, but in today's environment,  
08:43:47 17 we are working hard to maintain appropriate spacing. And  
08:43:51 18 I'm afraid with you that close to the jury, it would create  
08:43:55 19 some level of discomfort.

08:43:57 20 If -- if it's put no closer -- if it's put  
08:44:02 21 directly behind the railing here in front of the statute of  
08:44:08 22 the Lady of Justice, if it's pulled up there, and if you  
08:44:12 23 stand in the gap to the far side of the jury box in between  
08:44:17 24 the front row, can you not see it from there?

08:44:19 25 MR. SHEASBY: Right here?

08:44:23 1 THE COURT: Yes, sir.

08:44:24 2 MR. SHEASBY: And the witness will be within the  
08:44:27 3 bar or outside of the bar?

08:44:30 4 THE COURT: The witness will be between these two  
08:44:33 5 railings. The witness is not going to come around that  
08:44:35 6 railing. The witness can leave the witness chair, walk up  
08:44:38 7 to this side of the chart where they won't be between you  
08:44:41 8 and the chart at that location; and they can do whatever  
08:44:44 9 Mr. Summersgill wants them to do.

08:44:46 10 MR. SHEASBY: I will be able to see that, but I --  
08:44:48 11 that seems to be very close to the witness -- to the jurors  
08:44:51 12 for the -- for the --

08:44:52 13 THE COURT: You will, or you won't be able to  
08:44:54 14 see --

08:44:54 15 MR. SHEASBY: I will be able to see it, but I  
08:44:56 16 question whether it's appropriate for the witness to be  
08:44:58 17 that close to the jurors. It seems to me that's creating  
08:45:00 18 some sort of -- trying to create some connection by  
08:45:04 19 proximity to the jury, and so I would ask that the witness  
08:45:08 20 actually be beyond the bar.

08:45:10 21 THE COURT: All right. Well, I'm not -- here's  
08:45:14 22 what I'll do. I'll allow Defendant to do that in that way  
08:45:21 23 with the understanding that the witness will put a mask on  
08:45:25 24 before they step down from the witness stand, and they'll  
08:45:28 25 keep the mask on when they're there at the chart, and

08:45:32 1 Mr. Sheasby will put a mask on as he stands over there  
08:45:35 2 close to the jury to see it.

08:45:37 3 And if that's acceptable -- and, of course, the  
08:45:39 4 witness is going to have to make themselves intelligible  
08:45:43 5 with the mask on. If that's acceptable to Defendant, you  
08:45:46 6 can do it that way, but it's going to have to be under  
08:45:49 7 those strict guidelines.

08:45:51 8 MR. SUMMERSGILL: Thank you, Your Honor.

08:45:52 9 MR. SHEASBY: Thank you, Your Honor.

08:45:52 10 THE COURT: All right. What else do we need to  
08:45:55 11 take up before we bring in the jury?

08:45:57 12 Mr. Kennedy available to return to the witness  
08:45:59 13 stand?

08:46:00 14 MR. BAXTER: He is, Your Honor.

08:46:02 15 THE COURT: Please bring him forward.

08:46:15 16 And, Mr. Mueller, you may return to the podium as  
08:46:21 17 you continue your cross-examination.

08:46:23 18 MR. MUELLER: Thank you, Your Honor.

08:46:23 19 THE COURT: Anything further, counsel?

08:46:25 20 MR. SHEASBY: Your Honor, I have a copy of the  
08:46:27 21 Blevins's bench motion I referenced. I didn't know if you  
08:46:32 22 did get a copy, but I wanted to give it to you if --

08:46:32 23 THE COURT: I have a copy.

08:46:34 24 MR. SHEASBY: Thank you, Your Honor.

08:46:34 25 MR. MUELLER: And one final thing. I think we had

08:46:38 1 the courtroom sealed for Apple confidential --

08:46:40 2 THE COURT: We did, and I unsealed it for us to  
08:46:43 3 recess for evening. I'll order it resealed.

08:46:46 4 MR. MUELLER: Thank you, Your Honor.

08:46:47 5 THE COURT: Let's bring in the jury, please,  
08:46:50 6 Mr. Elliott.

08:46:51 7 COURT SECURITY OFFICER: All rise.

08:47:24 8 (Jury in.)

08:47:25 9 THE COURT: Good morning, ladies and gentlemen.  
08:47:26 10 Welcome back. It's good to see you. Please have a seat.

08:47:29 11 We will continue where we left off at the end of  
08:47:33 12 the day yesterday. Mr. David Kennedy, Plaintiffs' expert  
08:47:37 13 witness on damages, is being cross-examined by Mr. Mueller  
08:47:41 14 on behalf of the Defendant.

08:47:42 15 Mr. Mueller, you may continue with your  
08:47:45 16 cross-examination.

08:47:45 17 MR. MUELLER: And may we seal the courtroom, Your  
08:47:48 18 Honor?

08:47:48 19 THE COURT: Based on counsel's request, I'll order  
08:47:50 20 the courtroom sealed. Those present not subject to the  
08:47:53 21 protective order or aligned with Defendant, Apple, should  
08:47:57 22 excuse themselves and remain outside until the courtroom is  
08:48:04 23 unsealed and the public is invited to return.

08:48:08 24 (Courtroom sealed.)

08:48:08 25 (This portion of the transcript is sealed

08:48:08 1 and filed under separate cover as

08:48:08 2 Sealed Portion No. 9.)

08:48:08 3 (Courtroom unsealed.)

10:01:09 4 THE COURT: Ladies and gentlemen, we're going to  
10:01:11 5 take a brief recess, and when you return, we'll begin with  
10:01:14 6 the Defendant's case-in-chief and their first witness.

10:01:18 7 I'll ask you to leave your notebooks closed in  
10:01:21 8 your chairs and follow all the instructions I've given you.

10:01:25 9 Of course, you would expect me to say, including  
10:01:26 10 not to discuss the case among each other or anyone else.  
10:01:30 11 We'll have you back in here shortly after the recess.

10:01:33 12 The jury is excused for recess at this time.

10:01:42 13 COURT SECURITY OFFICER: All rise.

10:01:44 14 (Jury out.)

10:01:48 15 THE COURT: Be seated, please.

10:01:54 16 Mr. Summersgill, I've been thinking about your  
10:02:01 17 request during the cross and redirect on Mr. Kennedy. I  
10:02:06 18 really don't want the witness leaving the witness stand and  
10:02:09 19 standing on the inside of this bar. I do think that's  
10:02:14 20 closer to the jury than they may feel comfortable with.

10:02:18 21 What I'm going to ask you to do is bring the easel  
10:02:24 22 with the chart that you're going to use and push it up to  
10:02:30 23 this bar, but then the witness will need to come in with a  
10:02:35 24 mask, come around the chart, and stand on the inside of the  
10:02:39 25 bar to take your questions and mark on the chart. And have

10:02:43 1 the witness stand on the side of the easel that's towards  
10:02:49 2 me so they do not block opposing counsel's view of it. And  
10:02:53 3 that will add a little additional distance and hopefully  
10:02:55 4 will avoid any discomfort or unease on the part of the  
10:02:59 5 jury. Is that clear?

10:03:00 6 MR. SUMMERSE GILL: Yes. Thank you, Your Honor.

10:03:01 7 THE COURT: All right. With that change, we'll do  
10:03:03 8 it as we previously discussed.

10:03:04 9 All right. We stand in recess.

10:03:06 10 COURT SECURITY OFFICER: All rise.

10:03:07 11 (Recess.)

10:20:59 12 (Jury out.)

10:20:59 13 COURT SECURITY OFFICER: All rise.

10:21:01 14 THE COURT: Be seated, please.

10:22:03 15 Defendants, are you prepared to call your first  
10:22:31 16 witness?

10:22:31 17 MR. MUELLER: Yes, Your Honor. Mr. Blevins.

10:22:33 18 THE COURT: All right. Let's bring in the jury,  
10:22:36 19 please.

10:22:36 20 COURT SECURITY OFFICER: All rise.

10:22:37 21 (Jury in.)

10:22:38 22 THE COURT: Please be seated.

10:23:00 23 Just before the recess, the Plaintiff rested its  
10:23:07 24 case-in-chief.

10:23:07 25 We'll now proceed with the Defendant's



10:23:10 1 case-in-chief, ladies and gentlemen.

10:23:11 2 Mr. Mueller, call Defendant's first witness.

10:23:14 3 MR. MUELLER: Thank you, Your Honor. We call

10:23:16 4 Mr. Tony Blevins.

10:23:17 5 THE COURT: All right. Mr. Blevins, if you'll

10:23:19 6 come forward and be sworn, sir.

10:23:23 7 (Witness sworn.)

10:23:24 8 THE COURT: Please come around, have a seat at the

10:23:34 9 witness stand, sir.

10:23:47 10 MR. MUELLER: May I proceed, Your Honor?

10:23:48 11 THE COURT: You may proceed.

10:23:51 12 MR. MUELLER: Thank you.

10:23:51 13 TONY BLEVINS, DEFENDANT'S WITNESS, SWORN

10:23:51 14 DIRECT EXAMINATION

10:23:53 15 BY MR. MUELLER:

10:23:53 16 Q. Good morning, Mr. Blevins.

10:23:54 17 A. Good morning, sir.

10:23:55 18 Q. Could you please introduce yourself to the ladies and  
10:23:57 19 gentlemen of the jury?

10:23:57 20 A. Yes. I am Tony Blevins, and I work at our -- at our  
10:24:03 21 corporate headquarters in Cupertino, California.

10:24:05 22 Q. Now, sir, you've been here for each day of the trial?

10:24:09 23 A. Yes, sir, I have.

10:24:09 24 Q. And you'll be here for the remainder of the trial?

10:24:12 25 A. Yes, sir.

10:24:13 1 Q. Why are you here?

10:24:14 2 A. In this sense, within Apple, our feeling is that we  
10:24:17 3 have essentially been accused of being cheaters, that we  
10:24:20 4 feel like that our good name has been tarnished, and we're  
10:24:24 5 here to set the record straight.

10:24:25 6 Q. What is Apple's position as to whether or not it  
10:24:28 7 infringes the five patents in this case?

10:24:29 8 A. Our position is that we do not infringe any of these  
10:24:33 9 patents.

10:24:34 10 Q. Now, sir, may I ask you a few questions about your  
10:24:36 11 background?

10:24:37 12 A. Yes, sir.

10:24:37 13 Q. Where are you from?

10:24:39 14 A. I was born in the Blue Ridge Mountains of North  
10:24:44 15 Carolina. It was a very small town called Jefferson, about  
10:24:47 16 8,000 people. My father was a general contractor. His  
10:24:51 17 father was a general contractor. And my mother was an  
10:24:54 18 elementary school teacher for 41 years, now retired.

10:24:59 19 Q. Where did you go to college?

10:25:00 20 A. I received a full academic scholarship to North  
10:25:08 21 Carolina State University.

10:25:08 22 Q. And what did you study at North Carolina State?

10:25:09 23 A. I studied engineering, specifically industrial  
10:25:16 24 engineering.

10:25:16 25 Q. What is industrial engineering?

10:25:16 1 A. Probably the easiest way to describe it, it's a  
10:25:18 2 combination of several engineering disciplines, including  
10:25:18 3 mechanical and industrial, also with coursework in finance,  
10:25:23 4 accounting, statistics.

10:25:24 5 So the degree is less about research and  
10:25:26 6 development and more about, as the name would imply,  
10:25:29 7 industrialization or productizing ideas.

10:25:33 8 Q. And, sir, if you would just slow down a little bit for  
10:25:39 9 the -- for all of us just to make sure we hear every word  
10:25:39 10 you say. Okay?

10:25:39 11 A. Yes, sir.

10:25:39 12 Q. Now, what did you do after you graduated from college?

10:25:43 13 A. After college I joined IBM in Research Triangle Park.

10:25:49 14 Q. And what did you do at IBM?

10:25:51 15 A. My first job was as a quality engineer.

10:25:54 16 Q. And for how long were you at IBM?

10:25:56 17 A. I was at IBM for approximately 12 years.

10:25:58 18 Q. And that's until about, what, 2000?

10:26:00 19 A. Yes, approximately the fall of 2000.

10:26:03 20 Q. And over the years, what other types of positions did  
10:26:06 21 you hold at IBM?

10:26:07 22 A. Within the first year at IBM, I was named to what was  
10:26:11 23 known as their executive resource program. So I was  
10:26:13 24 rotated among many jobs, from engineering to production  
10:26:17 25 control to finance.

10:26:20 1 The intent was to gain some experience, and so I  
10:26:22 2 worked in seven of IBM's nine divisions. I was stationed  
10:26:26 3 in North Carolina; New York; South Florida; Tokyo, Japan;  
10:26:34 4 Seoul, Korea. And then my final assignment there was lab  
10:26:38 5 director of IBM in Scotland.

10:26:39 6 Q. Now, sir, when did you join Apple?

10:26:42 7 A. I joined Apple in August of 2000. So I'm approaching  
10:26:46 8 my 20th anniversary, very close.

10:26:49 9 Q. Why did you decide to go to Apple?

10:26:51 10 A. It was very interesting. It was probably the biggest  
10:26:56 11 risk I'd ever taken in my life because I think IBM is a  
10:27:00 12 fantastic company.

10:27:01 13 At that point in time, I think it was known as one  
10:27:04 14 of the most respected companies in the world. My career,  
10:27:07 15 in my opinion, was going well. But as the name would  
10:27:10 16 imply, IBM made business machines, International Business  
10:27:16 17 Machines, and I would come to work dressed very much like I  
10:27:19 18 am now, in a white shirt and a suit.

10:27:21 19 And so when I was persuaded to at least come and  
10:27:24 20 take a look at Apple, which I was very reluctant to do,  
10:27:29 21 actually, I was taken aback by what I saw at Apple's  
10:27:32 22 campus. Instead of wingtips and suits, what I saw was  
10:27:36 23 people in shorts, flip-flops, t-shirts, including the late  
10:27:40 24 Steve Jobs. People rode around on skateboards.

10:27:44 25 And the reason I mentioned it was somewhat of a

10:27:49 1 risky decision, that it's -- difficult to remember, but  
10:27:51 2 back in 2000, Apple had less than 1 percent market share in  
10:27:55 3 computers and no other products, and so we were losing  
10:27:58 4 market share each successive quarter. We were actually  
10:28:02 5 losing money that -- there were strong theories that the  
10:28:04 6 company was on the verge of bankruptcy.

10:28:07 7 But the reason I joined is that there was such a  
10:28:09 8 passion that what I saw initially as being a laid-back  
10:28:13 9 environment, what I found was those people were just  
10:28:16 10 incredibly creative, innovative, passionate about what they  
10:28:20 11 did. It was all about the products. It was all about  
10:28:22 12 consumers. It was a totally different feel that I had at  
10:28:30 13 IBM.

10:28:30 14 And I recall the mantra at that time was we're  
10:28:33 15 going to change the world. Everyone there had this  
10:28:35 16 mindset, we're going to change the world.

10:28:38 17 And so it was quite just an infectious passion  
10:28:41 18 they had. And so I couldn't help myself, but I made the  
10:28:44 19 biggest risk in my life and went to Apple, despite my  
10:28:49 20 father's advice not to do it.

10:28:51 21 Q. And, sir, in the 20 years that you've been there, what  
10:28:54 22 type of work have you done?

10:28:56 23 A. My first job at Apple was director of corporate  
10:28:59 24 procurement. So, in simplest terms, I was responsible for  
10:29:04 25 procuring the things we needed to run the business, not for

10:29:08 1 resale.

10:29:08 2           And so that would include everything from our  
10:29:11 3 mainframe computers we needed, to our lab equipment, to the  
10:29:15 4 avocados that we needed to stock the cafeteria. And as it  
10:29:19 5 turns out, Californians eat a lot avocado toast. So that  
10:29:23 6 was my first assignment.

10:29:24 7           I was later promoted to run all of iPod  
10:29:29 8 operations. Later, global logistics and distribution were  
10:29:32 9 added to my responsibilities. And then around 2012, I was  
10:29:35 10 named vice president of procurement.

10:29:37 11 Q. And is that your position today?

10:29:38 12 A. Yes, sir, it is.

10:29:39 13 Q. What are your duties as the vice president for  
10:29:41 14 procurement?

10:29:42 15 A. Probably the easiest way to describe what I do is Apple  
10:29:46 16 designs all of its products in California, something that  
10:29:49 17 we're very proud of, and Apple considers itself first and  
10:29:53 18 foremost a design company. We're not a manufacturing  
10:29:58 19 company.

10:29:58 20           So, therefore, as we design things, we -- we don't  
10:30:01 21 have factories. We don't have big smokestacks and so  
10:30:08 22 forth. And so my job is to canvas the world to find the  
10:30:08 23 people best qualified to make those components and deliver  
10:30:13 24 those services we need to make sure that our ideas and  
10:30:15 25 designs become products that people can eventually enjoy.

10:30:18 1 Q. Who do you report to?

10:30:19 2 A. I report to Mr. Jeff Williams.

10:30:22 3 Q. And who is he?

10:30:23 4 A. Mr. Williams holds a couple of roles at Apple. He is  
10:30:28 5 our chief operations officer. He is senior vice president  
10:30:31 6 of watch, hardware engineering, and watch software  
10:30:36 7 engineering. And then he also runs our industrial design  
10:30:39 8 lab for all products.

10:30:40 9 Q. And to whom does he report?

10:30:42 10 A. He reports to Mr. Tim Cook.

10:30:44 11 Q. And that's the CEO of the whole company?

10:30:46 12 A. Yes, sir.

10:30:47 13 Q. So you're two spots away from the CEO?

10:30:49 14 A. Yes, sir.

10:30:50 15 Q. And how many folks report to you, Mr. Blevins?

10:30:53 16 A. Currently, there are approximately 1,200 professionals.

10:30:56 17 Q. Now, have you been doing any work while you've been  
10:31:00 18 here at trial, outside of the courtroom, that is?

10:31:02 19 A. I have been. I've been working third shift actually.

10:31:05 20 It's a very, very busy time for us during CD19, and so I've  
10:31:10 21 been doing the best I can to keep up a third-shift  
10:31:15 22 operation to keep things afloat.

10:31:17 23 Q. Now, sir, what -- withdrawn.

10:31:18 24 MR. MUELLER: Your Honor, may I approach the  
10:31:20 25 easel?

10:31:20 1 THE COURT: You may.

10:31:22 2 Q. (By Mr. Mueller) Mr. Blevins, you are responsible for  
10:31:24 3 procuring the components within devices like the iPhone; is  
10:31:28 4 that right?

10:31:28 5 A. All Apple products, including iPhone, that's correct.

10:31:31 6 Q. So can we take the iPhone as an example?

10:31:34 7 A. Yes, sir.

10:31:34 8 Q. So I'm going to draw a very terrible drawing of an  
10:31:38 9 iPhone. Do you see that, sir?

10:31:40 10 A. Yes.

10:31:40 11 Q. Now, how many components are within that device?

10:31:43 12 A. It would depend on the model, but there's approximately  
10:31:47 13 1,000 plus or minus 150.

10:31:50 14 Q. So if we start on the outside, what are some of the  
10:31:52 15 components that you're responsible for procuring?

10:31:55 16 A. Well, once you pick up the phone, the first thing you  
10:31:58 17 may notice at the back of your hand would be the back  
10:32:00 18 cover.

10:32:01 19 Where most companies would use some type of cast  
10:32:05 20 alloy, Apple uses precision mill stainless steel. On the  
10:32:12 21 front of the unit, the first thing you would touch is  
10:32:16 22 glass. It's something that we call gorilla glass. So that  
10:32:20 23 would be your first interaction with the unit.

10:32:23 24 Q. So I just wrote steel covering, glass, you said, sir?

10:32:27 25 A. Yes, sir.



10:32:27 1 Q. And what type of glass is it?

10:32:29 2 A. As I mentioned, it's known as gorilla glass. It's  
10:32:32 3 something we work on with the Corning Company. It's  
10:32:37 4 manufactured in Bowling Green, Kentucky. It's known as the  
10:32:37 5 world's strongest thin glass, something we're very proud  
10:32:40 6 of.

10:32:41 7 Apple goes to the additional step of using what we  
10:32:43 8 call ion molecularization.

10:32:48 9 So what that does is, when the unit is dropped,  
10:32:53 10 even the strongest glass, just basic physics, will  
10:32:55 11 eventually break. But when our glass breaks, we want to  
10:32:58 12 make certain that doesn't shard or create sharp edges. So  
10:33:02 13 if the unit is otherwise useable, you can still touch it  
10:33:06 14 with your fingers, you can make a phone call without the  
10:33:08 15 user cutting themselves.

10:33:09 16 Q. Now, sir, if we go inside behind the glass, can you  
10:33:12 17 give just us a couple of examples of the components we'd  
10:33:16 18 find inside the phone?

10:33:17 19 A. Yes. I've heard the term pop the hood many times  
10:33:22 20 today. I won't say that. Let's say we pop the top module,  
10:33:22 21 if you will.

10:33:25 22 So you pop the top module, and the first thing  
10:33:25 23 you'll notice is the largest single subsystem you see in  
10:33:31 24 the device is actually a battery, and that's our biggest  
10:33:33 25 design constraint.

10:33:36 1 Interestingly enough, batteries really haven't  
10:33:38 2 changed much in the last 60 years. If you look at an  
10:33:42 3 automobile from the 1960s, the size, weight, and  
10:33:45 4 performance of that battery is very similar to what you'd  
10:33:47 5 see in an automobile today.

10:33:49 6 And the reason that's important for us is that we  
10:33:52 7 try to have the smallest, thinnest, lightest device  
10:33:56 8 possible, but we also want to have good battery life.  
10:34:00 9 That's exceptionally important to consumers.

10:34:02 10 And so, given we have that constraint, that means  
10:34:05 11 everything else we have to work really hard to both  
10:34:09 12 miniaturize and make certain it's as power efficient as  
10:34:12 13 possible because we're left with this battery constraint  
10:34:17 14 that's somewhat of an immovable object. So it's actually  
10:34:22 15 the largest single item that you see.

10:34:22 16 Q. So if we go behind the battery, sir, what will we find?

10:34:25 17 A. You'll find a number of things. At the top of the  
10:34:28 18 display, I would start there, we have what's called our  
10:34:30 19 sensing subsystem.

10:34:32 20 It's a little notch on the top of your unit, for  
10:34:36 21 those of you who may have seen an iPhone X or 11. There  
10:34:39 22 are many functions and features going on there, that you  
10:34:42 23 have your audio system, your speakers, your microphone. We  
10:34:45 24 have what we call our face ID module.

10:34:47 25 So for those of you who may have used an iPhone,

10:34:51 1 when you bring the unit to your face, the security is done  
10:34:53 2 that way.

10:34:55 3 And many people don't know this, but, for example,  
10:34:59 4 of -- since you -- the first time you've identified with  
10:35:03 5 the unit, if you happen to have gotten a tan or grown a  
10:35:07 6 beard or gotten a scar, providing it's not too deep, the  
10:35:10 7 unit will still recognize you because it actually analyzes  
10:35:14 8 your face several layers deep into the epidermis, for  
10:35:19 9 security purposes.

10:35:20 10 Q. What else would we find?

10:35:21 11 A. Within that sensing unit you would find a three-axis  
10:35:28 12 gyrometer. And so that will allow the unit to determine  
10:35:29 13 its facial positioning. It can be used for time flight  
10:35:32 14 simulation. It can be used as a remote control for various  
10:35:35 15 devices from an Apple TV. With the right applications, you  
10:35:38 16 can start a car with it.

10:35:41 17 Also, something very interesting, the unit itself,  
10:35:44 18 based on its 3X Gyrometer, can sense when it's been  
10:35:52 19 dropped. And so when the unit determines it's been dropped  
10:35:53 20 with the neural engine and machine learning, it can  
10:35:54 21 automatically begin shutting down subsystems to potentially  
10:35:58 22 protect them in the case of a drop.

10:36:00 23 THE COURT: Mr. Blevins, would you pull the  
10:36:01 24 microphone a little closer?

10:36:03 25 THE WITNESS: Yes, sir.

10:36:03 1 THE COURT: And you don't have to get that close.  
10:36:06 2 Just a little closer. And if you would try to slow down a  
10:36:10 3 little bit. These are -- you're using a lot of words we  
10:36:13 4 all don't hear every day. So if you would go a little  
10:36:13 5 slower, that would be helpful. Thank you, sir.

10:36:19 6 Please continue.

10:36:19 7 MR. MUELLER: Thank you, Your Honor.

10:36:20 8 Q. (By Mr. Mueller) Would there be a camera in there  
10:36:22 9 somewhere?

10:36:22 10 A. Yes. In the case of an iPhone 11, there is actually an  
10:36:26 11 iPhone design triple camera system, and unique image  
10:36:30 12 sensing processor.

10:36:31 13 Q. Now, sir, are you familiar with the term central  
10:36:36 14 processing unit?

10:36:36 15 A. Yes, I am.

10:36:37 16 Q. What does that mean?

10:36:38 17 A. It goes by several different names. It's sometimes  
10:36:42 18 called the applications processor, it's sometimes called  
10:36:44 19 the central processing unit. The simple way to think of it  
10:36:48 20 is it's the brains in an iPhone.

10:36:51 21 In our case, we currently have what we call the  
10:36:55 22 813 bionic chip. Something that's interesting about that,  
10:36:59 23 it's more powerful in terms of processing capability than  
10:37:04 24 our fastest Mac only a scant few years back.

10:37:09 25 In fact, it's a four CoreLogic processor, it's a

10:37:13 1 two Core Graphics processor. It has over eight billion  
10:37:19 2 transistors. It's quite an amazing Apple-designed device.  
10:37:24 3 As I mentioned earlier, it's also equipped with a neural  
10:37:27 4 engine so it can do machine learning and artificial  
10:37:30 5 intelligence.

10:37:30 6 Q. Now, you mentioned as powerful as a Mac. You're  
10:37:34 7 referring to a computer, a full computer?

10:37:35 8 A. Yes, a full computer.

10:37:37 9 Q. Now, there's a whole bunch of other stuff that we  
10:37:40 10 probably don't have time to go through, right?

10:37:42 11 A. Yes.

10:37:43 12 Q. And some of these are really small, right, sir?

10:37:45 13 A. Most are tiny for the reason that I mentioned earlier,  
10:37:49 14 that we use a lot of real estate due to the battery, so  
10:37:49 15 everything else has to be tiny to compensate for that.

10:37:52 16 Q. And Mr. Baxter earlier referred to, he said itty-bitty  
10:37:56 17 chips. Do you recall that, sir?

10:37:57 18 A. Yes, sir.

10:37:57 19 Q. And they are. They're itty-bitty, right?

10:37:59 20 A. That's probably not our technical term, but, yes, I can  
10:38:04 21 agree with that.

10:38:04 22 Q. Okay. Despite the fact that they're small, does that  
10:38:06 23 have anything to do with the power of those chips?

10:38:09 24 A. The power is amazing in the chips, and even more  
10:38:13 25 amazing is the lack of power consumption. We work really

10:38:17 1 hard on having high-power subsystems that have very  
10:38:22 2 low-power consumption.

10:38:23 3 Q. So, one of these tiny chips in the phone, do you know  
10:38:27 4 how many individual circuits are on the chip like that?

10:38:29 5 A. As I mentioned before, the way we would measure this is  
10:38:33 6 an 813 bionic would have 8 billion transistors in an ASIC  
10:38:40 7 that's less than 90 square millimeters built on five  
10:38:44 8 nanometer technology, to put it into perspective.

10:38:47 9 Q. Smaller than a fingernail?

10:38:49 10 A. Much, much smaller.

10:38:50 11 Q. And has billions of circuits on it?

10:38:52 12 A. Over eight billion.

10:38:54 13 Q. Now, sir, is there something in the iPhone called a  
10:38:58 14 baseband chip?

10:38:58 15 A. That actually resides in what we would call the  
10:39:03 16 communication subsystem.

10:39:07 17 Q. What is the communication subsystem?

10:39:08 18 A. The communication subsystem, you can think of that as  
10:39:12 19 how the device communicates with the outside world. And  
10:39:16 20 so, for example, the order of priority is Bluetooth, WiFi,  
10:39:23 21 Cellular.

10:39:23 22 And the reason that's the case is your highest  
10:39:27 23 output, highest efficiency is Bluetooth. So if I were to  
10:39:31 24 want to stream music to my AirPods, if I were to want to  
10:39:35 25 use the device to interact with the radio in my car, the

10:39:40 1 unit would default to Bluetooth if it's available.

10:39:43 2 If, for example, I've taken hundreds of photos and  
10:39:47 3 I would like to share those quickly and efficiently with  
10:39:50 4 Mr. Mueller, I would use AirDrop, and by Bluetooth, I would  
10:39:57 5 transfer them immediately.

10:39:58 6 To continue that example, if I had those photos,  
10:40:02 7 and let's suppose Mr. Mueller isn't within range of  
10:40:05 8 Bluetooth, which is maybe -- preferably within 20 feet,  
10:40:09 9 sometimes up to 200 feet, let's suppose he were somewhere  
10:40:13 10 else in this building, then the unit would default to WiFi.  
10:40:17 11 That would be the best solution for transferring things.

10:40:19 12 If, on the other hand, Mr. Mueller had walked  
10:40:22 13 across the street and I still wanted to transfer those  
10:40:25 14 photos, then the unit would default to the cellular  
10:40:30 15 network.

10:40:30 16 If it could find LTE, it would use that. If it  
10:40:34 17 couldn't, it would then default to 3G. If not, it would  
10:40:37 18 default to 2G and so forth. And so the unit has a priority  
10:40:41 19 order of the most efficient way of transferring data.

10:40:45 20 MR. MUELLER: Your Honor, may I approach the  
10:40:47 21 witness and hand him a physical demonstrative? This is  
10:40:50 22 DDX-42. And 43 is in here, as well.

10:40:52 23 THE COURT: You may approach.

10:40:54 24 MR. MUELLER: Thank you, Your Honor.

10:41:03 25 Q. (By Mr. Mueller) Mr. Blevins, if you could open up

10:41:05 1 this envelope, please, sir. And do you see something  
10:41:10 2 that's labeled DDX-42, sir?

10:41:12 3 A. Yes, sir, I do.

10:41:13 4 Q. What is it?

10:41:14 5 A. This would be an iPhone 11.

10:41:17 6 Q. And is this particular one, one that you could open up?

10:41:22 7 A. Well, fortunately, it's already been opened for me, or  
10:41:26 8 I could assure you I couldn't open it on the stand. It's  
10:41:29 9 put together in quite a robust fashion.

10:41:32 10 VR. MUELLER: And, Your Honor, may Mr. Blevins,  
10:41:34 11 just in his seat, hold this up for the jury?

10:41:38 12 Q. (By Mr. Mueller) What is that?

10:41:38 13 A. This is the inside of an iPhone. And so what you'll  
10:41:43 14 notice is the large black device I mentioned, that's  
10:41:46 15 actually the battery taking up an inordinate amount of real  
10:41:52 16 estate, as I mentioned. And all of the other subsystems  
10:41:55 17 are built around that.

10:41:56 18 And so the very powerful chips that I mentioned, I  
10:41:59 19 don't think anyone there could even see, based on the  
10:42:04 20 distance that we're talking about.

10:42:05 21 Q. Thank you, sir. You can put that down.

10:42:07 22 Now, somewhere within that assembly, there is this  
10:42:10 23 communication system you told the jury about; is that  
10:42:12 24 right, sir?

10:42:13 25 A. That's correct, sir.



10:42:14 1 Q. And within the communication system, we would find this  
10:42:17 2 baseband chip, right?

10:42:18 3 A. Yes.

10:42:18 4 Q. Now, over the years, historically, has Apple created  
10:42:26 5 its own baseband chips or purchased them from other  
10:42:30 6 companies?

10:42:30 7 A. No, those have not been Apple-designed, unlike some of  
10:42:34 8 the subsystems are Apple-designed. In the case of the  
10:42:37 9 basebands, we purchase them.

10:42:38 10 Q. From whom, historically?

10:42:41 11 A. Historically, we have used two suppliers. That's been  
10:42:44 12 Intel and Qualcomm.

10:42:45 13 Q. And were you, sir, personally involved in procuring  
10:42:49 14 baseband chips from Intel and Qualcomm?

10:42:51 15 A. Yes, sir, I was involved in each of those reasons from  
10:42:53 16 the inception.

10:42:54 17 Q. And for the products that are at issue in this case, do  
10:42:59 18 they all contain either an Intel baseband chip or a  
10:43:03 19 Qualcomm baseband chip?

10:43:06 20 A. That is correct, sir.

10:43:07 21 Q. Now, recently did Apple and Intel strike a deal?

10:43:09 22 A. We did. Approximately 14, 15 months ago now, Apple did  
10:43:15 23 strike a deal with Intel.

10:43:16 24 Q. And what were the terms of that deal, sir?

10:43:19 25 A. In essence, we purchased what was known as IMC. That

10:43:25 1 was Intel Mobility Corporation. It was a division in Intel  
10:43:28 2 that specialized in baseband and only baseband, and so  
10:43:32 3 Apple acquired that entire division.

10:43:35 4 Q. And how much did Apple pay?

10:43:37 5 A. We paid \$1 billion.

10:43:39 6 Q. What did Apple receive?

10:43:41 7 A. Well, first and foremost, the thing we were really  
10:43:44 8 interested in is the ability to design our own chips.

10:43:47 9 THE COURT: Yes, sir.

10:43:47 10 MR. SHEASBY: Objection, Your Honor. It's  
10:43:48 11 referring to an agreement that has not said a comparable  
10:43:54 12 agreement.

10:43:54 13 THE COURT: You're going to have to speak up. I  
10:43:56 14 don't hear you.

10:43:57 15 MR. SHEASBY: Your Honor, objection. This is  
10:43:59 16 referring to an agreement that is not a comparable  
10:44:02 17 agreement.

10:44:07 18 THE COURT: What's your response, Mr. Mueller?

10:44:08 19 MR. MUELLER: Two things. This is not a  
10:44:10 20 comparable license analysis I'm trying to do. I'm trying  
10:44:13 21 to establish the facts of the Intel folks joining the  
10:44:17 22 company. We're going to be hearing from two of those Intel  
10:44:17 23 folks soon.

10:44:17 24 MR. SHEASBY: As long as he's referring to only  
10:44:20 25 employees, then it would be unobjectionable.

10:44:22 1 THE COURT: This is basically background, in the  
10:44:24 2 Court's view, and I'll overrule the objection.  
10:44:27 3 Q. (By Mr. Mueller) Now, sir, did some folks join Apple  
10:44:32 4 as part of that transaction?  
10:44:33 5 A. Yes. That was our motivation. We had a desire to  
10:44:38 6 build our own baseband chips because there was a lack of  
10:44:41 7 competition in the market. And we knew we needed several  
10:44:44 8 thousand very highly-trained, specialized engineers that  
10:44:48 9 could have taken decades to build, other than acquiring  
10:44:52 10 this unit from Intel, of where we got 2000 of what we  
10:44:55 11 considered the best engineers in the world.  
10:44:57 12 Q. And are some of those folks going to be testifying in  
10:45:02 13 this case?  
10:45:02 14 A. Yes. I believe time allowing he will be, sir.  
10:45:07 15 Q. Vivek Ramaprasad?  
10:45:12 16 A. Yes, he is one of the gentlemen that will be  
10:45:14 17 testifying, I think.  
10:45:18 18 Q. And Kaushik Josiam; is that right, sir?  
10:45:18 19 A. Dr. Kaushik Josiam, yes, sir.  
10:45:18 20 Q. So these are folks used to work on baseband chips at  
10:45:22 21 Intel, and now they're at Apple?  
10:45:23 22 A. That would be correct.  
10:45:24 23 Q. Now, sir, some of the Apple products -- in fact, all  
10:45:29 24 the Apple products in this case support the LTE standard,  
10:45:33 25 right?

10:45:33 1 A. Yes, as a matter of fact, they do.

10:45:34 2 Q. And the LTE standard is a cellular communication  
10:45:38 3 standard, correct?

10:45:39 4 A. Yes, that is the latest standard prior to 5G.

10:45:45 5 Q. Is it the only cellular standard that's supported by  
10:45:49 6 the baseband chips in the Apple products?

10:45:53 7 A. No, not at all. Those baseband chips support all  
10:45:56 8 available standards.

10:45:57 9 So that would include 4G/LTE. That would include  
10:46:03 10 3G. That would include 2G. That would include EDGE. They  
10:46:07 11 support all available network standards except for 5G,  
10:46:10 12 which is emerging.

10:46:11 13 Q. And even today, Apple's products support 2G, 2.5G, 3G  
10:46:17 14 standards?

10:46:17 15 A. Yes. In some rural locations in some parts of the  
10:46:22 16 world, that's the only network that's available, so the  
10:46:24 17 phones are always backwards compatible to the most recent  
10:46:28 18 network version.

10:46:29 19 Q. Now, sir, let's be clear with the ladies and gentlemen  
10:46:31 20 of the jury. Is there any dispute that Apple's products  
10:46:33 21 support the LTE standard?

10:46:35 22 A. No, none at all. We market our phones as being  
10:46:39 23 operable on LTE networks. So there's no dispute whatsoever  
10:46:43 24 about that.

10:46:44 25 Q. What is the dispute?

10:46:45 1 A. The dispute is whether we are infringing five patents  
10:46:50 2 in this case specifically.

10:46:53 3 Q. Now, what is Apple's philosophy when it comes to  
10:47:04 4 introducing a product with a new generation of cellular  
10:47:08 5 standard?

10:47:08 6 A. Well, I'll answer the question a bit more generally and  
10:47:12 7 then zero into your specific question, if I may.

10:47:15 8 So Apple's product philosophy is to surprise and  
10:47:19 9 delight consumers. So with every successive generation  
10:47:23 10 of -- whether it's an iPhone, whether it's an iPad, or  
10:47:27 11 whether it's a Mac, with every new introduction, it's our  
10:47:29 12 intent to pack in more features, more performance, more  
10:47:34 13 things that our consumers will love at the same or lower  
10:47:36 14 price. In current conditions, it's more likely to be the  
10:47:41 15 same price, but the objective is to give them more for  
10:47:44 16 less.

10:47:44 17 Q. Now, we hear and there's been some suggestions that in  
10:47:47 18 the 2010 range, Apple had fallen behind some of its  
10:47:51 19 competitors. Do you recall that, sir?

10:47:54 20 A. I heard that. That stung.

10:47:57 21 Q. Was it true?

10:47:58 22 A. It's absolutely untrue, and the reference to -- to  
10:48:01 23 Samsung was just a -- a dagger. I think it's publicly  
10:48:05 24 available information that Samsung has copied Apple.

10:48:08 25 Q. Let's talk about cellular --

10:48:10 1 MR. SHEASBY: Your Honor, I object. I move for  
10:48:13 2 that to be stricken, and I ask the Court instruct that the  
10:48:15 3 witness is not -- the jury not consider that whatsoever.

10:48:18 4 Allegations of copying by Samsung are totally  
10:48:21 5 inappropriate in this case, and it's been a subject of  
10:48:24 6 previous discussions with Your Honor.

10:48:25 7 THE COURT: I agree that's not relevant. It's  
10:48:31 8 clearly a matter of importance to this witness, but it's  
10:48:35 9 not relevant to this trial. And I'll order that statement  
10:48:37 10 to be struck from the record and for the jury to disregard  
10:48:40 11 it.

10:48:42 12 Q. (By Mr. Mueller) Mr. Blevins, if you could, let's just  
10:48:44 13 focus on cellular functionality. Are you with me, sir?

10:48:48 14 A. Yes, sir.

10:48:48 15 Q. Now, the first Apple LTE phone was introduced in 2012,  
10:48:52 16 right?

10:48:52 17 A. That's correct, yes.

10:48:53 18 Q. There was a phone the year before, in 2011?

10:48:57 19 A. That is correct.

10:48:58 20 Q. Was that a successful phone or an unsuccessful phone in  
10:49:02 21 2011?

10:49:02 22 A. That would have been the iPhone 4S, and it was our most  
10:49:08 23 successful phone in terms of both sales and customer  
10:49:11 24 satisfaction to date. It was very successful.

10:49:13 25 Q. Did it have LTE or not have LTE?

10:49:15 1 A. It did not have LTE. It was 3G.

10:49:18 2 Q. And if we go to the year before, in 2010, was that a  
10:49:21 3 successful phone that was released that year or an  
10:49:24 4 unsuccessful phone?

10:49:25 5 A. It was very successful. That would be the iPhone 4  
10:49:30 6 you're referring to, I believe.

10:49:32 7 Q. And did it have LTE or not have LTE?

10:49:35 8 A. It did not. It was 3G.

10:49:37 9 Q. So the phones that were released before Apple  
10:49:41 10 introduced LTE, were they successful or not successful?

10:49:43 11 A. They were all, in our opinion, very successful. We  
10:49:46 12 were in the process of building a brand, and each  
10:49:50 13 successive phone was more successful than its predecessor.

10:49:54 14 Q. Now, sir, each year or thereabouts Apple releases a few  
10:49:57 15 phone; is that right?

10:49:58 16 A. Our history has been that we'll release one phone per  
10:50:01 17 year, yes, generally.

10:50:03 18 Q. And do you recall which phone was released in 2011?

10:50:06 19 A. 2011 would have been the iPhone 4S, I believe.

10:50:12 20 Q. In 2012, which model was released?

10:50:15 21 A. If memory serves me correctly, that would have been the  
10:50:19 22 iPhone 5.

10:50:19 23 Q. And if we take the iPhone 5 on its release date and the  
10:50:23 24 iPhone 4S on its release date, what was the price of the  
10:50:27 25 two phones as compared to each other?

10:50:28 1 A. Despite the fact there was significantly more function  
10:50:34 2 in terms of display and processor and other things in the  
10:50:38 3 iPhone 5, we released them at the same price.

10:50:41 4 Q. No increase on the release date for the LTE model?

10:50:44 5 A. No increase. They were exactly the same price on the  
10:50:48 6 release date.

10:50:49 7 Q. Now, sir, you've seen some testimony in this case about  
10:50:55 8 a document that I'll put on the screen here, PX-1537b. Do  
10:51:01 9 you see this, sir?

10:51:02 10 A. Yes, sir, I do see it.

10:51:04 11 Q. This is a February, 2014, document?

10:51:07 12 A. I see that. 2014, yes.

10:51:10 13 Q. And were you here in the opening statement -- or were  
10:51:14 14 you here for the opening statements?

10:51:16 15 A. As a matter of fact, I was, sir.

10:51:17 16 Q. And were you here when the argument was made that this  
10:51:20 17 shows, quote, their plan is to destroy our business? Do  
10:51:25 18 you see that, sir?

10:51:26 19 A. No, I'm sorry, I don't see that.

10:51:29 20 MR. MUELLER: Let's put the transcript up. This  
10:51:31 21 is Page 223, Lines 2 through 6.

10:51:36 22 Q. (By Mr. Mueller) What does it --

10:51:40 23 A. Now --

10:51:41 24 Q. Let's read real quick here: What does it show? It  
10:51:43 25 shows that their plan is to destroy our business.



10:51:47 1 Do you see that, sir?

10:51:48 2 A. Yes. That wasn't on my screen before. Apologies. Now

10:51:52 3 I can see it says: Their plan is to destroy our business.

10:51:52 4 Q. Is there anything in PX-1537b that shows a plan to

10:51:56 5 destroy the business of the Plaintiffs?

10:51:57 6 A. No, far from it. It was standard licensing --

10:52:01 7 MR. SHEASBY: Your Honor, I --

10:52:02 8 THE COURT: Just a minute.

10:52:04 9 What's your objection, Mr. Sheasby?

10:52:05 10 MR. SHEASBY: Your Honor, I object based on Bench

10:52:08 11 Memo Category No. 1.

10:52:09 12 THE COURT: Mr. Mueller?

10:52:14 13 MR. MUELLER: Two things, Your Honor. Ms. Whitt

10:52:16 14 did testify about this document for several minutes

10:52:19 15 yesterday. I haven't asked any specifics. I'm asking a

10:52:21 16 question that Ms. Whitt was not asked because she couldn't

10:52:25 17 have been asked.

10:52:25 18 That is to say, the question was never posed to

10:52:28 19 Ms. Whitt: Is this a document to destroy the Plaintiffs'

10:52:31 20 business? I'm now posing that question to Mr. Blevins.

10:52:34 21 It's fully consistent to what Ms. Whitt testified at the

10:52:39 22 detail level. She was not asked that question, and I am

10:52:40 23 asking it now.

10:52:40 24 MR. SHEASBY: Question: Why was it prepared?

10:52:43 25 This is Ms. Whitt's testimony.

10:52:44 1 She goes on: I don't know exactly why it was  
10:52:46 2 prepared. There are probably various reasons, and it may  
10:52:49 3 have been used in different matters, but generally these  
10:52:52 4 types of documents are prepared to convey a lot of data and  
10:52:52 5 contest more for.

10:52:56 6 It's unclear to me what the specific document or  
10:52:58 7 version was used for. I'm not sure what I'm allowed to say  
10:53:01 8 in terms of privilege. I'm not sure whether this  
10:53:06 9 individual document was even one that I reviewed.

10:53:07 10 MR. MUELLER: And I'm not asking why it was  
10:53:09 11 prepared. I'm asking, does this say it's a document to  
10:53:14 12 destroy the Plaintiffs' business. That's all.

10:53:16 13 MR. SHEASBY: It's clear that Ms. -- that Apple's  
10:53:17 14 corporate representative --

10:53:17 15 THE COURT: I've heard enough. This is a matter  
10:53:19 16 that Ms. Whitt was queried on. And consistent with the  
10:53:29 17 guidance I've given the parties, she did not profess  
10:53:34 18 knowledge as Apple's representative at the time she was  
10:53:37 19 deposed, so we're not going to supply that knowledge for  
10:53:40 20 the first time through this witness for Apple in the middle  
10:53:42 21 of the trial.

10:53:43 22 I'll sustain the objection.

10:53:44 23 MR. MUELLER: Thank you, Your Honor.

10:53:45 24 Q. (By Mr. Mueller) Mr. Blevins, you, yourself, have read  
10:53:51 25 the patents in this case, correct?

10:53:52 1 A. Yes, of course.

10:53:57 2 Q. In full?

10:53:58 3 A. That's the only way to read them, yes.

10:54:00 4 Q. And have you spoken at any folks at Apple as part of  
10:54:04 5 your work to prepare for this trial as the corporate  
10:54:06 6 representative?

10:54:06 7 A. Yes, in fact, I have.

10:54:06 8 Q. And Mr. Sheasby asked you a whole bunch of questions at  
10:54:09 9 your deposition about the investigation you undertook,  
10:54:13 10 right?

10:54:13 11 A. Yes, as I recall, he did.

10:54:14 12 Q. Sir, based on all the work you did in your full  
10:54:18 13 investigation, what is Apple's position as to whether it  
10:54:21 14 infringes the five patents in this case?

10:54:23 15 A. Our position is we clearly do not infringe.

10:54:27 16 Q. Thank you, sir. I have no further questions at this  
10:54:30 17 time.

10:54:30 18 A. Thank you, sir.

10:54:32 19 MR. MUELLER: I pass the witness, Your Honor.

10:54:34 20 THE COURT: All right. Cross-examination by the  
10:54:35 21 Plaintiff.

10:54:35 22 CROSS-EXAMINATION

10:54:45 23 BY MR. SHEASBY:

10:54:45 24 Q. Good morning, Mr. Blevins.

10:54:47 25 A. Good morning, sir.

10:54:47 1 Q. It's nice to see you again.

10:54:49 2 A. It's very nice to see you, Mr. Sheasby.

10:54:51 3 Q. We met before, over the Internet.

10:54:53 4 THE COURT: Let me just stop right now. Let's  
10:54:55 5 make sure that somebody else is not talking when somebody  
10:54:58 6 else starts talking. And let's make sure that we have one  
10:55:02 7 person talking at a time.

10:55:04 8 Okay. Mr. Sheasby, please proceed.

10:55:06 9 Q. (By Mr. Sheasby) Mr. Blevins, you know that there are  
10:55:08 10 a number of patents that are essential to implementing LTE  
10:55:11 11 communication standards, fair?

10:55:12 12 A. Yes, I believe there are essential patents.

10:55:14 13 Q. And you, as Apple's corporate representative, don't  
10:55:23 14 know whether Apple reached out to the companies that it  
10:55:26 15 knew had standard essential patents and asked them for a  
10:55:30 16 license when Apple launched LTE, correct?

10:55:32 17 A. That would be correct. I don't know the extent of  
10:55:35 18 that.

10:55:35 19 Q. You didn't do anything to investigate it for your  
10:55:37 20 testimony as Apple's corporate representative, fair?

10:55:39 21 A. Correct.

10:55:41 22 Q. And you certainly didn't do it yourself when you and  
10:55:47 23 Mr. Williams made the decision to launch LTE, fair?

10:55:50 24 A. To clarify, that would have been myself and

10:55:55 25 Mr. Williams. Apple decided to do that.

10:55:57 1 Q. You recommended to Apple that it launch LTE, fair?

10:56:01 2 A. That's not exactly true.

10:56:02 3 Q. Jeff -- Jeff Williams, the chief operating officer of  
10:56:07 4 Apple and your boss, was very interested in helping Apple  
10:56:12 5 introduce an LTE phone, correct?

10:56:13 6 A. Yes, that's true.

10:56:14 7 Q. All right. You never told Jeff Williams, we should  
10:56:16 8 really check to see if we have all the intellectual  
10:56:19 9 property rights for the LTE standard, correct?

10:56:21 10 A. No, I don't recall ever doing such a thing.

10:56:23 11 Q. Now, you -- you actually participate in meetings with  
10:56:27 12 very, very senior executives relating to the decision to  
10:56:31 13 launch LTE, correct?

10:56:32 14 A. Yes, I would say that's a fair assessment.

10:56:36 15 Q. No officer at the company of Apple ever pulled you  
10:56:39 16 aside and said, we're thrilled about your -- we're thrilled  
10:56:45 17 about this idea of using LTE, but we really need to  
10:56:48 18 investigate whether we have all the rights. No one ever --  
10:56:51 19 no executive ever said that to you, fair?

10:56:53 20 A. No, I don't recall that ever happening.

10:56:56 21 Q. All right. You have no recollection whatsoever of  
10:57:00 22 Apple ever reaching out to the companies that contributed  
10:57:03 23 to in creating the LTE standard, correct, regarding their  
10:57:10 24 patents?

10:57:10 25 A. I don't specifically know if we did or didn't.

10:57:15 1 Q. And you're Apple's corporate representative today,  
10:57:17 2 correct?

10:57:17 3 A. Yes.

10:57:18 4 Q. But what you do know is -- and you also have no  
10:57:21 5 knowledge whatsoever as to whether Apple had any role  
10:57:24 6 whatsoever in creating the LTE standard, correct?

10:57:25 7 A. That's fair. I don't have knowledge -- I don't think  
10:57:31 8 we had very much input.

10:57:33 9 Q. Would it be fair to say that you had no information to  
10:57:36 10 provide the jury whatsoever that Apple had any meaningful  
10:57:40 11 contribution whatsoever to LTE?

10:57:42 12 A. Yes, I think that would be fair. We weren't a member  
10:57:46 13 of the standards body, I would agree with you.

10:57:48 14 Q. Now, you also are unable to tell this jury that an  
10:57:54 15 Apple phone would be commercially viable if LTE was  
10:57:57 16 removed, correct?

10:57:57 17 A. Correct. That's a hypothetical question I couldn't  
10:58:01 18 answer.

10:58:01 19 Q. Sir, can Apple turn off LTE in its phones when it  
10:58:08 20 wants?

10:58:08 21 A. I've actually never tried it. I think hypothetically,  
10:58:16 22 it would be possible.

10:58:17 23 Q. So if what PanOptis is asking for is so egregious, so  
10:58:22 24 outlandish, why don't you just turn off LTE?

10:58:25 25 A. Because we don't violate their patents.

10:58:27 1 Q. And if you do violate their patents, you have to pay  
10:58:31 2 damages, correct, sir?

10:58:33 3 A. If we, in fact, violated their patents, I'm certain  
10:58:39 4 there would be a remedy. But, as I mentioned, we do not.

10:58:42 5 MR. SHEASBY: I move to strike the last part of  
10:58:46 6 his answer, Mr. -- Judge, as non-responsive.

10:58:50 7 THE COURT: I'll overrule that. Let's move on.

10:58:53 8 Q. (By Mr. Sheasby) Now, Mr. Blevins, you've actually  
10:58:57 9 sourced these baseband chips from various companies,  
10:59:02 10 Qualcomm, Intel, et cetera, fair?

10:59:04 11 A. That would be correct, sir.

10:59:05 12 Q. The price of these baseband chips does not reflect the  
10:59:17 13 value of the third-party intellectual property that's  
10:59:21 14 present in the LTE standard, fair?

10:59:26 15 A. I'm not an attorney, but I believe what you're  
10:59:29 16 suggesting is correct. I believe so.

10:59:30 17 Q. So just to be as precise as we can, we know that  
10:59:35 18 there's a set of patents that are essential in implementing  
10:59:38 19 the LTE standard, correct?

10:59:39 20 A. Yes.

10:59:40 21 Q. Those patents have an economic value, correct?

10:59:43 22 A. I would assume so, yes.

10:59:45 23 Q. The price at which you purchased the baseband chip does  
10:59:48 24 not reflect the economic value of those patents, fair?

10:59:53 25 A. I'm hesitating because I know in the case of Intel, we

10:59:57 1 do get significant passthrough of IP rights, but I'm  
11:00:01 2 probably not qualified to suggest which is and isn't --

11:00:07 3 Q. All right.

11:00:08 4 A. -- LTE.

11:00:10 5 Q. Why don't you turn to Tab 1 of your deposition, and  
11:00:14 6 it's one of the binders next to you.

11:00:18 7 A. Is it Volume 1 or Volume 2?

11:00:22 8 Q. I believe there's a separate binder that just says  
11:00:25 9 depositions.

11:00:31 10 A. I see one -- well, I've got Volume 1 and Volume 2 of  
11:00:43 11 Cross-examination and another one that says  
11:00:48 12 Cross-examination with no numbers.

11:00:50 13 Q. Let me get -- let me get --

11:01:00 14 MR. MUELLER: May I approach, Your Honor?

11:01:02 15 THE COURT: Hand it to the Court Security Officer.

11:01:09 16 THE WITNESS: Thank you, sir.

11:01:10 17 Q. (By Mr. Sheasby) So why don't you turn to Tab 1, which  
11:01:13 18 is your deposition, and why don't you -- why don't you go to  
11:01:15 19 Page 130, Lines 7 -- through 7.

11:01:20 20 And before you do that, let me ask the question.  
11:01:24 21 Give -- Mr. Blevins, just one moment -- Intel -- you just  
11:01:27 22 referenced Intel on passthrough rights or something, you  
11:01:30 23 said, correct.

11:01:31 24 A. Right.

11:01:31 25 Q. Intel's price does not reflect for Apple the value of



11:01:35 1 all the intellectual property on standard essential  
11:01:37 2 patents, correct?

11:01:37 3 A. I believe it does not.

11:01:39 4 Q. In fact, you testified at your deposition that the  
11:01:44 5 price of modems that Apple purchases from third parties,  
11:01:49 6 the market price, does not reflect the value of third-party  
11:01:53 7 intellectual property that's standard essential, correct?

11:01:54 8 A. Yes. I know it doesn't entitle us to all of it. If it  
11:02:01 9 entitles us to some, I don't know. But I'm certain it  
11:02:05 10 doesn't entitle us to all of them, if that's the question.

11:02:06 11 Q. Sir, why don't you turn to your deposition at 129 --

11:02:10 12 THE COURT: Say that, again, Mr. Sheasby.

11:02:13 13 MR. SHEASBY: Blevins deposition at 129, 16 to  
11:02:18 14 132.

11:02:35 15 A. Apologies. I'm just orientating myself to the -- how  
11:02:39 16 this is organized.

11:02:44 17 THE COURT: That's perfectly fine, sir. Take your  
11:02:46 18 time.

11:02:48 19 Q. (By Mr. Sheasby) Sir, tell me when you're done.

11:03:08 20 A. Yes, I remember now.

11:03:09 21 Q. Does this refresh your recollection that you admitted  
11:03:12 22 under oath that, when Apple purchases modems from third  
11:03:15 23 parties, the price does not reflect the value of all  
11:03:19 24 third-party intellectual property that's standard  
11:03:21 25 essential?

11:03:21 1 A. May I read the answer just below that, starting with  
11:03:25 2 Line 9?  
11:03:26 3 Q. Yes.  
11:03:28 4 A. I think it's the opposite. The price reflects whatever  
11:03:32 5 value they offer us, not whatever in there in the universe  
11:03:36 6 that was excluded from what they offered. That's why I'm  
11:03:38 7 confused.  
11:03:39 8 Q. The price does not reflect the value of the standard --  
11:03:42 9 all standard essential patents, correct, sir?  
11:03:43 10 A. What I was suggesting is our agreements --  
11:03:43 11 Q. Stop --  
11:03:47 12 A. -- are offered --  
11:03:48 13 THE COURT: Just a minute, gentlemen. We're not  
11:03:52 14 going to have a verbal tug of war here.  
11:03:55 15 If he gives you an answer that's non-responsive,  
11:03:59 16 Mr. Sheasby, after he's given it, raise it with me, and  
11:04:02 17 I'll instruct him to do otherwise, okay? But don't try to  
11:04:06 18 cut him off in the middle of an answer.  
11:04:08 19 MR. SHEASBY: I understand.  
11:04:09 20 THE COURT: Ask your question again, and then  
11:04:10 21 we'll ask Mr. Blevins to answer.  
11:04:12 22 Q. (By Mr. Sheasby) Is the value of all third-party  
11:04:15 23 intellectual property that's standard essential reflected  
11:04:17 24 in the modems that Apple purchases?  
11:04:19 25 A. I don't know.

11:04:20 1 Q. All right. Why don't you read your deposition  
11:04:25 2 transcript 129, 16 to 132.

11:04:32 3 THE COURT: And you're asking him to read it to  
11:04:34 4 himself?

11:04:34 5 MR. SHEASBY: Right now, and then I'm going to  
11:04:36 6 publish it as --

11:04:38 7 THE COURT: That's fine. I just wanted to be  
11:04:41 8 clear so he understood that you weren't asking him to read  
11:04:44 9 it into the microphone.

11:04:47 10 MR. SHEASBY: Yes, Your Honor.

11:04:47 11 A. Sir, that was Line 16 to 32; is that correct?

11:04:52 12 Q. (By Mr. Sheasby) 16 through -- well, 116, 29 to Lines  
11:04:59 13 32 (sic).

11:05:03 14 A. I'm sorry, my copy ends at Line 25.

11:05:07 15 Q. I'll -- I'll withdraw the question, and we'll come back  
11:05:09 16 to that.

11:05:09 17 Now, Apple was not the first company to launch LTE  
11:05:15 18 in 2012, correct?

11:05:16 19 A. Yes, that's correct.

11:05:18 20 Q. All right. There -- there were a number of companies  
11:05:22 21 that had launched LTE before you, correct?

11:05:25 22 A. Yes, I believe that's correct.

11:05:27 23 Q. And you and Mr. Williams thought it was important for  
11:05:32 24 LTE -- for offer to offer -- for Apple to offer LTE,  
11:05:36 25 correct?

11:05:36 1 A. More specifically, I think Apple felt it was important,  
11:05:39 2 if that's your question, yes.

11:05:41 3 Q. Apple thought it was important, not just you and  
11:05:44 4 Mr. Williams?

11:05:44 5 A. Yes, sir, that was the clarification I was making.  
11:05:48 6 Apple thought it was important.

11:05:50 7 Q. And, in fact, even you would consider that you were six  
11:05:53 8 months to a year behind offering LTE, correct?

11:05:55 9 A. I don't think of it as being behind. I do know that we  
11:06:01 10 offered it later. If that's the question, I would agree.

11:06:03 11 Q. You offered it six -- at least six months, perhaps a  
11:06:08 12 year, later than your competitors, correct?

11:06:11 13 A. That, I would agree with, yes.

11:06:13 14 Q. One of your competitors was Samsung, correct?

11:06:16 15 A. Yes, I believe so.

11:06:18 16 MR. SHEASBY: Let's go to DDX-X.5.

11:06:27 17 Q. (By Mr. Sheasby) Now, Mr. Mueller used this slide with  
11:06:35 18 Mr. Blasius, correct?

11:06:35 19 A. Yes, I recall seeing this.

11:06:37 20 Q. It talks -- Mr. Mueller talked about the design of the  
11:06:39 21 various products, correct?

11:06:40 22 A. Yes, I recall that.

11:06:41 23 Q. Does this case, LTE, have anything whatsoever to do  
11:06:45 24 with design and shapes of products?

11:06:47 25 A. Not to my knowledge, it doesn't.

11:06:49 1 Q. It has to do with intense technology that's used for  
11:06:53 2 telecommunications, correct?

11:06:54 3 A. I thought it was about five patents specifically.

11:07:10 4 Q. LTE relates to technology that's used -- well, two  
11:07:18 5 questions. It's about LTE. This case is about LTE,  
11:07:21 6 correct?

11:07:21 7 A. My understanding is it's about five specific patents,  
11:07:27 8 not the universe of LTE.

11:07:29 9 Q. The features of Apple products that are being accused  
11:07:32 10 of infringement relate to the LTE standards, correct?

11:07:37 11 A. I thought we were being accused of infringing five  
11:07:40 12 specific patents. That was my understanding.

11:07:41 13 Q. Okay. Why don't you go to your deposition at 132, 7  
11:07:47 14 through 19.

11:08:03 15 A. Yes, sir, I've read it.

11:08:04 16 Q. Did you give that testimony under oath?

11:08:06 17 A. Yes.

11:08:10 18 MR. SHEASBY: I want you, Mr. Huynh, just to pull  
11:08:14 19 up lines -- 132, 13 through 19, only that portion.

11:08:19 20 Q. (By Mr. Sheasby) Do you know what features are being  
11:08:29 21 accused via these patents?

11:08:30 22 I have an understanding, yes.

11:08:32 23 What features are being accused?

11:08:34 24 Features related to the LTE standards.

11:08:37 25 Did you give that testimony under oath,

11:08:39 1 Mr. Blevins?

11:08:39 2 A. Yes, I believe that to be accurate.

11:08:41 3 Q. And, in fact, the patents relate to the transmission

11:08:43 4 and receipt of different data and symbols that are

11:08:46 5 necessary to communicate between a base station and a

11:08:51 6 subscriber station, correct, necessary?

11:08:54 7 A. No, I disagree with that.

11:08:56 8 Q. Okay. Why don't you turn to Page 132:20 to 133:1 of

11:09:02 9 your deposition.

11:09:02 10 A. I'm sorry. That's page 132 --

11:09:03 11 Q. 132, Line 20, to 133, Line 1.

11:09:09 12 A. Yes, I see that.

11:09:18 13 Q. Did you give that testimony under oath, sir?

11:09:20 14 A. Yes. I believe that to be accurate.

11:09:22 15 MR. SHEASBY: Let's publish it. Publish the

11:09:38 16 second half, too, Mr. Huynh.

11:09:41 17 Q. (By Mr. Sheasby) But what specific features?

11:09:44 18 Well, they vary from patent to patent. But you

11:09:46 19 could generalize and say that they're related to

11:09:50 20 transmissions and receipt of different data symbols that

11:09:54 21 are, quote, necessary to communicate between a base station

11:09:55 22 and a subscriber station.

11:09:58 23 Those were your words, Mr. Blevins, correct?

11:10:01 24 A. Yes, that's true.

11:10:02 25 Q. "Necessary" was the word you used, correct?

11:10:04 1 A. The data and symbols are necessary. There's multiple  
11:10:07 2 ways to generate those data and symbols.

11:10:09 3 MR. SHEASBY: Your Honor, I move to strike the  
11:10:11 4 answer as non-responsive.

11:10:13 5 THE COURT: The data symbols are necessary; that's  
11:10:19 6 responsive.

11:10:20 7 The multiple ways to generate those data symbols,  
11:10:23 8 that goes beyond the answer to the question. I'll strike  
11:10:26 9 that portion.

11:10:27 10 Let's continue.

11:10:28 11 Q. (By Mr. Sheasby) The antenna is involved in the  
11:10:30 12 transmission of symbols and data, correct?

11:10:31 13 A. Yes, I think that's true.

11:10:32 14 Q. In fact, everything that is part of the iPhone,  
11:10:35 15 including the battery and display, are involved in that  
11:10:37 16 process, correct?

11:10:38 17 A. Yes, I think it's fair to say the unit wouldn't  
11:10:44 18 function without all the parts.

11:10:46 19 Q. Sir, can you turn to Paragraph -- Lines -- Page 134,  
11:10:51 20 Line 23, to 135, Line 3, of your deposition?

11:10:56 21 A. I'm sorry. Can you go just a bit slower, please?

11:11:00 22 Q. Sure. 134, Line 23, to 135, Line 3.

11:11:11 23 A. Yes.

11:11:11 24 Q. Did you give that testimony under oath?

11:11:13 25 A. Yes, that's accurate.

11:11:16 1 MR. SHEASBY: All right. Let's publish it for the  
11:11:17 2 jury.

11:11:18 3 Q. (By Mr. Sheasby) Question: Is the antenna involved in  
11:11:28 4 the transmission of symbols and data?

11:11:30 5 Answer: By that definition, every part of the  
11:11:34 6 iPhone is involved. So, yes, every part is involved,  
11:11:36 7 including the battery and the display.

11:11:39 8 Do you see that -- did you give this testimony  
11:11:42 9 under oath, Mr. Blevins?

11:11:42 10 A. Yes, sir.

11:11:43 11 Q. And you say the patents relate to different data and  
11:11:47 12 symbols that are necessary to communicate between a base  
11:11:50 13 station and a subscriber station, correct?

11:11:55 14 A. Yes, that's correct.

11:12:02 15 MR. SHEASBY: Now, let's go back to DDX-X.5.

11:12:13 16 Q. (By Mr. Sheasby) And this was the slide that  
11:12:15 17 Mr. Mueller was saying related to design, correct? And he  
11:12:19 18 was talking about the -- the -- the little app symbols that  
11:12:24 19 you can push on the screen, correct?

11:12:26 20 A. Yes, I recall that.

11:12:27 21 Q. Now, you called Apple a design company, fair?

11:12:32 22 A. Yes.

11:12:33 23 Q. You don't manufacture anything, fair?

11:12:34 24 A. We do not.

11:12:35 25 Q. And, in fact, when you launched the iPhone in 2007,



11:12:40 1 you -- you thought it was a groundbreaking tool, correct?

11:12:43 2 A. We did. I think many people thought that.

11:12:47 3 Q. Who made the -- do you remember when Mr. Mueller was  
11:12:49 4 referring to something called a CPU as the brains of the  
11:12:53 5 processor?

11:12:54 6 A. Yes.

11:12:54 7 Q. Who made the CPU in Apple's 2007 device?

11:12:58 8 A. It was manufactured by SLSI, which was a division of  
11:13:01 9 Samsung.

11:13:01 10 Q. The brains of Apple's device in 2007 was manufactured  
11:13:07 11 by Samsung, correct?

11:13:08 12 A. Manufactured in their foundry, yes.

11:13:15 13 MR. SHEASBY: Now, let's turn to PDX-5.30. PDX,  
11:13:28 14 not PX, Mr. Huynh.

11:13:36 15 Q. (By Mr. Sheasby) Mr. Blevins, Apple's average profit  
11:13:44 16 margin is about 40 or 50 percent; is that fair?

11:13:47 17 A. I wish it were. I think that's overstated slightly.

11:13:50 18 Q. What is it?

11:13:51 19 A. In our last earnings report, which was I think about  
11:13:54 20 two weeks ago, was 38 percent.

11:13:57 21 Q. Okay. Now, what would happen to Apple's business,  
11:14:01 22 then, if 50 percent of its customers just took its phones  
11:14:14 23 year after year after year and never paid for them? What  
11:14:19 24 would happen to Apple's business ultimately?

11:14:25 25 A. I don't know specifically, but I imagine we'd

11:14:28 1 eventually go out of business.

11:14:29 2 MR. SHEASBY: So let's go to Slide PX-10.

11:14:32 3 THE COURT: And, Mr. Blevins, would you try to  
11:14:33 4 slow down a little bit, please, sir? Maybe Mr. Sheasby has  
11:14:41 5 and you just seem faster, but try to slow down.

11:14:44 6 THE WITNESS: I apologize, Your Honor.

11:14:47 7 THE COURT: Let's continue.

11:14:48 8 Q. (By Mr. Sheasby) So this is a slide -- you were here  
11:14:53 9 for this slide when Mr. Kennedy noted that Apple represents  
11:14:57 10 essentially the vast majority of the portion of the LTE  
11:15:00 11 industry that is not licensed to PanOptis's patents, fair?

11:15:04 12 A. Yes, I was here.

11:15:05 13 Q. And Apple represents -- you would take my  
11:15:10 14 representation -- approximately 80 percent of all the  
11:15:14 15 profits that are generated in the LTE industry in the  
11:15:19 16 United States, fair?

11:15:19 17 A. I don't know.

11:15:19 18 Q. You don't know what percentage of the profits you  
11:15:23 19 capture in the industry, sir?

11:15:24 20 A. I don't know exactly. I know it varies every week,  
11:15:28 21 every month.

11:15:29 22 Q. It's in that range, though, fair?

11:15:31 23 A. I don't know. I can take your word for it, but I  
11:15:34 24 simply don't know.

11:15:35 25 Q. Okay. So, you're Apple -- you're a vice president of

11:15:36 1 Apple, correct?

11:15:37 2 A. Yes.

11:15:38 3 Q. You're Apple's corporate representative, correct?

11:15:39 4 A. Correct, sir.

11:15:40 5 Q. And you're saying you don't know what the profits of  
11:15:43 6 Apple is vis-a-vis its competitors in the industry, fair?

11:15:47 7 A. I know what Apple's profits are. I don't necessarily  
11:15:51 8 know what the profits of our competitors are.

11:15:55 9 Q. Okay. Now, just for the ladies and gentlemen of the  
11:15:57 10 jury, you said your profit margins are in the high 30s, low  
11:16:02 11 40s, fair?

11:16:02 12 A. I think I said 38 percent, to be specific.

11:16:04 13 Q. Okay. And if 50 percent or 40 percent of your  
11:16:13 14 customers just said, we're not going to pay you for your  
11:16:16 15 phones that we take, you're going to go bankrupt  
11:16:20 16 ultimately, fair?

11:16:21 17 A. It's hypothetical. It's certainly possible.

11:16:24 18 Q. Sir, if every year since 2012, 40 percent of your  
11:16:29 19 customers took your phones and didn't pay for them, you  
11:16:32 20 would ultimately go bankrupt, correct?

11:16:34 21 A. You would need to be more specific. It would depend on  
11:16:41 22 the profit we made on the 60 percent that did pay,  
11:16:44 23 mathematically speaking.

11:16:46 24 Q. Well, let's say it was 38 percent.

11:16:48 25 A. Okay.

11:16:48 1 Q. You'd ultimately go bankrupt, correct?

11:16:52 2 A. You would lose money, I would agree with that, if  
11:16:58 3 that's your point.

11:16:58 4 Q. Every year since 2012, you would lose money if  
11:17:02 5 40 percent of your customers just stole your phones and  
11:17:05 6 didn't pay for them, fair?

11:17:06 7 A. In your example, you would lose approximately 2 percent  
11:17:09 8 a year.

11:17:10 9 Q. And if you lose year after year after year, you  
11:17:14 10 eventually go bankrupt, correct?

11:17:15 11 A. Hypothetically, I think that's correct.

11:17:17 12 Q. It destroys your business ultimately, correct?

11:17:20 13 A. In your hypothetical example, you would lose 2 percent  
11:17:25 14 a year unless you otherwise adjusted your price on the ones  
11:17:29 15 you did sell.

11:17:31 16 Q. It would ultimately destroy your business, fair, sir?

11:17:35 17 A. I disagree with that.

11:17:36 18 Q. Okay. So, if people took 40 percent of Apple's phones  
11:17:38 19 and didn't pay for them since 2012, you think your business  
11:17:39 20 would be just fine?

11:17:41 21 A. That's not what I said.

11:17:41 22 Q. It would ultimately destroy your business if 40 percent  
11:17:45 23 of people just took your phones since 2012 and didn't pay  
11:17:49 24 for them, fair?

11:17:50 25 A. I don't agree with the way you're characterizing this.

11:17:54 1 Q. Okay. And so it'd be fair to say that when the ladies  
11:17:59 2 and gentlemen of the jury return to deliberate, they can  
11:18:00 3 consider the fact that you don't know whether if Apple's  
11:18:05 4 customers took 40 percent of Apple's phones without paying  
11:18:10 5 a dime since 2012, whether Apple would still survive as a  
11:18:14 6 company. You don't know the answer to that, correct, sir?

11:18:18 7 A. I believe what I've said is clear.

11:18:21 8 THE COURT: Let me stop everything for a minute.

11:18:23 9 Ladies and gentlemen, I need to take something up  
11:18:26 10 outside of your presence with counsel. I'm going to ask  
11:18:31 11 you to step into the jury room. I appreciate your  
11:18:34 12 cooperation, given our social distancing.

11:18:37 13 If you'll just leave your notebooks in your  
11:18:40 14 chairs. Don't discuss the case among yourselves, and this  
11:18:44 15 should take very little time. I hope -- hopefully, we'll  
11:18:47 16 have you back in here very shortly.

11:18:49 17 If the jury will retire to the jury room, please.

11:18:52 18 COURT SECURITY OFFICER: All rise.

11:18:53 19 (Jury out.)

11:19:11 20 THE COURT: Be seated, please.

11:19:12 21 Counsel, I -- I need some clarification. We had a  
11:19:18 22 big fight in chambers about using the word "bankrupt," and  
11:19:22 23 now it seems to be just ubiquitous.

11:19:27 24 Was that all a sham in the -- in chambers about  
11:19:31 25 how horribly prejudicial and improper that was, or have we

11:19:35 1 just had temporary amnesia and forgotten about how we went  
11:19:40 2 round and round about what we could say and couldn't say  
11:19:43 3 and speculating whether the company could sustain these  
11:19:46 4 kind of losses?

11:19:47 5 I'll be honest, I'm confused. Can you clarify for  
11:19:50 6 me where we are on the word "bankrupt"? Because it calls  
11:19:53 7 for an economic judgment of insolvency that none of these  
11:20:00 8 witnesses are in a position to know or testify about.

11:20:03 9 MR. SHEASBY: Certainly, Your Honor. First, I  
11:20:04 10 apologize if I've misunderstood something. I believe the  
11:20:06 11 discussion in chambers was about whether the payment of  
11:20:10 12 royalties to -- the payment of these -- these royalties  
11:20:14 13 would lead to a bankruptcy of Apple. I'm asking a  
11:20:18 14 different question, which is, if Apple's customers failed  
11:20:22 15 to --

11:20:23 16 THE COURT: I understand your question,  
11:20:24 17 Mr. Sheasby, but you're calling for the same kind of an  
11:20:28 18 evaluation at the end of a different question.

11:20:31 19 MR. SHEASBY: I understand Your Honor's concern.  
11:20:34 20 There will be no more questions regarding this subject.

11:20:34 21 THE COURT: All right. There is clearly an order  
11:20:37 22 in limine prohibiting discussion of the financial strength  
11:20:39 23 or condition of the parties, and this continued query as to  
11:20:44 24 would this bankrupt you or would that bankrupt you seems to  
11:20:47 25 me to be testing the limits of that.

11:20:49 1 So I really am going to have to insist that we not  
11:20:54 2 go back to discussions of what is or isn't a  
11:20:59 3 bankruptcy-causing event without getting the Court's leave  
11:21:01 4 before we do it going forward. Okay.

11:21:03 5 MR. SHEASBY: I understand, Your Honor. I  
11:21:04 6 apologize. I will proceed.

11:21:06 7 MR. MUELLER: May I raise two issues briefly,  
11:21:08 8 Your Honor -- two issues briefly, Your Honor?

11:21:10 9 THE COURT: Very briefly.

11:21:11 10 MR. MUELLER: I just want to make sure I have the  
11:21:13 11 clear ground rules before the redirect.

11:21:15 12 First, Your Honor, Mr. Sheasby asked a few  
11:21:17 13 questions about Mr. Blevins's or others at Apple  
11:21:21 14 investigating whether they were using patents before  
11:21:23 15 launching LTE and so on.

11:21:25 16 Am I permitted on redirect to ask Mr. Blevins  
11:21:27 17 about the fact that Apple has agreements covering cellular  
11:21:32 18 standard essential patents? I won't get into specific  
11:21:34 19 terms, but the fact of those agreements. Because I think  
11:21:37 20 the impression is being left that Apple is just out there  
11:21:41 21 being completely ignorant of patents, and that's just not  
11:21:44 22 true.

11:21:45 23 THE COURT: So, specifically, what is it you want  
11:21:46 24 to ask on re -- on excuse me, redirect?

11:21:50 25 MR. MUELLER: I would ask, Mr. Blevins -- and

11:21:52 1 actually may Mr. Blevins step down? I don't want to  
11:21:55 2 pollute his testimony by discussing it in front of him,  
11:21:59 3 but --

11:21:59 4 THE COURT: I'm not going to send Mr. Blevins out.

11:22:01 5 MR. MUELLER: Okay. That's fine. So the question  
11:22:04 6 I would ask, Your Honor, is, Mr. Blevins, you were asked  
11:22:08 7 some questions about whether Apple had investigated patents  
11:22:10 8 before launching the LTE phones. Does Apple have patent  
11:22:15 9 license agreements covering cellular standard essential  
11:22:18 10 patents, including for LTE? Just a yes or no question.

11:22:21 11 THE COURT: I don't think that's improper. He's a  
11:22:24 12 corporate representative. He should know that.

11:22:25 13 MR. MUELLER: And then the very last thing --

11:22:27 14 THE COURT: As long as it's at that high level.

11:22:30 15 MR. MUELLER: Very high level, Your Honor.

11:22:31 16 And then the last thing is I stopped when asking  
11:22:35 17 Mr. Blevins about the Intel acquisition at the historical  
11:22:37 18 level. One of my colleagues has reminded me that  
11:22:41 19 Mr. Perryman (sic), our damages expert, does rely on the  
11:22:43 20 Intel acquisition as part of his analysis.

11:22:46 21 May I ask Mr. Blevins whether Apple acquired any  
11:22:49 22 patents as part of the Intel acquisition, and, if so, how  
11:22:56 23 many? Just those two questions. And it's in  
11:23:04 24 Dr. Perryman's report, Your Honor. It's an opinion that he  
11:23:07 25 confirmed in this case.



11:23:08 1 MR. SHEASBY: I can confirm that, Your Honor. It  
11:23:11 2 is in Dr. Perryman's report --

11:23:12 3 THE COURT: I don't know why it's appropriate  
11:23:12 4 through this witness if it's in Dr. Perryman's report.

11:23:12 5 MR. MUELLER: Okay. We can do that through  
11:23:12 6 Dr. Perryman, Your Honor. That's fine.

11:23:19 7 MR. SHEASBY: Thank you.

11:23:19 8 THE COURT: All right. One other thing, we are  
11:23:22 9 going to have to talk one at a time, and we are going to  
11:23:26 10 have to slow down.

11:23:28 11 And, Mr. Blevins, you may be trying, and I'm sure,  
11:23:30 12 sir, you don't testify in court every day, but you are very  
11:23:35 13 fast in your answers, and if we don't give the answers so  
11:23:40 14 the jury can hear and comprehend them, we're all just  
11:23:44 15 wasting our time. So if you think you've slowed down,  
11:23:48 16 multiply it by 10 and try and do it that way, okay?

11:23:52 17 THE WITNESS: Apologies, Your Honor.

11:23:53 18 THE COURT: Apologies, Your Honor. Not,  
11:23:57 19 apologies, Your Honor. Okay. Does that give you an  
11:24:01 20 example?

11:24:02 21 THE WITNESS: It does. Thank you very much.

11:24:04 22 MR. SHEASBY: Your Honor, may I be heard? On  
11:24:05 23 behalf of Mr. Blevins and all speed talkers, we're trying  
11:24:11 24 our best, Your Honor.

11:24:11 25 THE COURT: Well, you're in the same category,

11:24:15 1 Mr. Sheasby.

11:24:15 2 Let's -- let's bring in the jury.

11:24:46 3 COURT SECURITY OFFICER: All rise.

11:24:48 4 (Jury in.)

11:24:49 5 THE COURT: Please be seated.

11:24:50 6 All right. Mr. Sheasby, you may continue with

11:24:53 7 your cross-examination of Mr. Blevins.

11:24:56 8 Q. (By Mr. Sheasby) Now, Mr. Blevins, you were in the

11:24:57 9 courtroom when Apple's corporate -- corporate

11:25:00 10 representative, Ms. Mewes, testified, correct?

11:25:03 11 A. Yes, sir.

11:25:04 12 Q. And only -- Apple's position is that only approximately

11:25:07 13 10 percent of declared essential patents are actually

11:25:11 14 essential, fair?

11:25:12 15 A. Yes, I believe that was confirmed by Ms. Dwyer

11:25:21 16 yesterday as well.

11:25:21 17 Q. And Apple's position is that there are times when it is

11:25:24 18 appropriate to calculate royalties for a patent based on

11:25:29 19 net sales price, correct?

11:25:30 20 A. I thought it was sales price of the smallest salable

11:25:34 21 unit.

11:25:35 22 Q. Okay.

11:25:37 23 MR. SHEASBY: Well, why don't we go to Ms. Mewes's

11:25:39 24 testimony from yesterday, at Page 140, Lines 15 through 19.

11:25:52 25 Q. (By Mr. Sheasby) Question: So here's what we know:

11:25:54 1 We agree that there are some patents for which it's  
11:25:58 2 appropriate to calculate damages based on the net sales  
11:26:01 3 price of the device, correct?

11:26:03 4 Answer: Yes.

11:26:06 5 Do you see that, sir? It's on your screen.

11:26:08 6 A. This was Ms. Mewes testimony; is that right?

11:26:20 7 Q. Yes, sir.

11:26:21 8 A. I see it.

11:26:22 9 Q. You sat through it, correct, sir?

11:26:24 10 A. Yes, I think so.

11:26:24 11 Q. You didn't stand up and say, no, Ms. Mewes got it all  
11:26:29 12 wrong, did you, sir?

11:26:29 13 A. I didn't think it was appropriate for me to say  
11:26:32 14 anything at all.

11:26:33 15 Q. Did you pull over Ms. Mewes after she gave this  
11:26:36 16 testimony under oath, and said, you know what, Ms. Mewes,  
11:26:39 17 you're a lawyer for Apple, but you got it wrong, it's  
11:26:42 18 always got to be smallest salable patent practicing unit?

11:26:45 19 A. No, I didn't do that.

11:26:46 20 Q. Did you -- did you speak to her boss B.J. Watrous and  
11:26:52 21 say, Mr. Watrous, you've got to talk to that Ms. Mewes,  
11:26:56 22 she's got it all wrong, it's got to be the smallest salable  
11:27:00 23 patent practicing unit?

11:27:00 24 A. No. And, in fact, B.J. Watrous is not her boss to my  
11:27:04 25 knowledge.

11:27:04 1 Q. He used to be her boss, correct?

11:27:06 2 A. That I'm not certain of.

11:27:08 3 Q. Who's the general counsel of Apple?

11:27:11 4 A. The general counsel is Ms. Kate Adams.

11:27:14 5 Q. Did you go to Ms. Adams and say, you know what,

11:27:17 6 Ms. Adams, we've got a big problem? Our corporate -- our

11:27:20 7 corporate representative under oath in trial said that

11:27:22 8 there are patents for which it's appropriate to calculate

11:27:24 9 damages based on the net sales price of the device?

11:27:27 10 Did you do that?

11:27:28 11 A. No, I didn't do that.

11:27:29 12 Q. Now, there's been a relationship between Apple and

11:27:43 13 Qualcomm for a number of years, correct?

11:27:44 14 A. Yes, I would agree with that.

11:27:46 15 Q. And one of the discussion points that Apple has had

11:27:52 16 with Qualcomm is that Qualcomm said, if you want to use our

11:27:55 17 chips, you have to pay for our intellectual property, fair?

11:28:00 18 A. Yes, I'm, in fact, very familiar with that.

11:28:03 19 Q. Right. They're saying you have to pay for the value of

11:28:07 20 intellectual property; you can't just have the chip, fair?

11:28:10 21 A. Yes.

11:28:11 22 Q. And Apple wanted the chip, it didn't want to pay for

11:28:14 23 the intellectual property. It was going to deal with that

11:28:16 24 separately, fair?

11:28:18 25 A. That's incorrect.

11:28:20 1 Q. Okay.

11:28:20 2 MR. SHEASBY: Well, why don't we go, then, to  
11:28:22 3 yesterday's deposition testimony from 144, 2 through 8, and  
11:28:30 4 let's pull that up.

11:28:32 5 A. This is Ms. Mewes's testimony?

11:28:34 6 Q. (By Mr. Sheasby) Yes.

11:28:37 7 MR. MUELLER: Your Honor, I object to publishing  
11:28:38 8 testimony before there's been any showing of any  
11:28:41 9 inconsistency at all.

11:28:42 10 MR. SHEASBY: Sir -- Your Honor, this is not an  
11:28:44 11 inconsistency of yesterday. I can refer to trial testimony  
11:28:47 12 that occurred earlier in -- in this court. It's perfectly  
11:28:50 13 appropriate. This is not a deposition. It's not for  
11:28:52 14 impeachment. It's to show --

11:28:54 15 THE COURT: Ms. Mewes was a corporate  
11:28:55 16 representative of the Defendant, Mr. Blevins is a corporate  
11:28:58 17 representative for the Defendant. I think that's  
11:29:02 18 appropriate.

11:29:02 19 MR. SHEASBY: Thank you, Your Honor.

11:29:03 20 THE COURT: I'll overrule the objection.

11:29:06 21 Q. (By Mr. Sheasby) So what we have here is Ms. --  
11:29:08 22 Ms. Mewes is Apple's corporate representative -- testified  
11:29:14 23 that Qualcomm came to Apple, presented 20 claim charts, and  
11:29:18 24 Apple said, no, they're all invalid or not infringed, fair?

11:29:23 25 A. That's what Ms. Mewes said, yes.

11:29:25 1 Q. In other words, Qualcomm said, we have 20 patents, you  
11:29:29 2 used them. And Apple said, you know what, we don't use any  
11:29:32 3 of them. Fair?

11:29:33 4 A. Yes, I believe that's correct.

11:29:34 5 Q. And you heard Mr. -- Mr. Mueller in opening, correct?

11:29:38 6 A. Yes, I certainly did.

11:29:39 7 Q. And he said, we have never, ever used other people's  
11:29:44 8 patents. Did you hear his testimony -- his -- his opening  
11:29:49 9 on that subject?

11:29:49 10 A. I don't recall that specifically. He may have, but I  
11:29:57 11 can't recall him saying that.

11:29:58 12 Q. All right. You said -- you told the jury under oath,  
11:30:01 13 we do not use any of these patents -- these patents, we do  
11:30:06 14 not use them, right? You were emphatic about that at the  
11:30:10 15 beginning of your testimony?

11:30:11 16 A. These, I was referring to the five patents in this  
11:30:14 17 case, not the entire universe of patents.

11:30:17 18 MR. SHEASBY: Objection. I move to strike as  
11:30:19 19 non-responsive.

11:30:23 20 THE COURT: I think the witness is trying to  
11:30:24 21 respond to your question. There may be some confusion  
11:30:27 22 between the question and the answer, but it's an attempt to  
11:30:29 23 be responsive. And I'll overrule the objection.

11:30:31 24 Q. (By Mr. Sheasby) You told the jury under oath that for  
11:30:34 25 the five patents-in-suit in this case, we absolutely don't

11:30:37 1 infringe them, correct?

11:30:38 2 A. Yes, absolutely.

11:30:39 3 Q. In fact, you turned to them, you looked them straight  
11:30:41 4 in the eye, and said, we do not use these patents, fair?

11:30:46 5 A. That is a fact.

11:30:47 6 MR. SHEASBY: So let's pull up Ms. Mewes's  
11:30:50 7 testimony again.

11:31:03 8 Q. (By Mr. Sheasby) And that's the same thing that Apple  
11:31:06 9 said to Qualcomm. Qualcomm presented claim charts, and  
11:31:11 10 Apple said, we absolutely do not infringe your patents,  
11:31:15 11 correct? They're either invalid or non-essential, we don't  
11:31:18 12 use them?

11:31:19 13 A. This refers to 20 patents. I think Qualcomm has about  
11:31:24 14 140,000.

11:31:26 15 MR. SHEASBY: Objection. Move to strike as  
11:31:28 16 non-responsive.

11:31:44 17 THE COURT: Sustained.

11:31:46 18 Q. (By Mr. Sheasby) Sir, Ms. Mewes looked Qualcomm in the  
11:31:51 19 face and said, we absolutely do not use these 20 patents  
11:31:54 20 you presented to us, correct?

11:31:55 21 A. I can't answer that. I can only tell you what she said  
11:32:01 22 in her deposition.

11:32:02 23 Q. She said Apple took the position that, each of these 20  
11:32:04 24 claim charts, those patents are either invalid or not  
11:32:08 25 essential, correct?

11:32:08 1 A. Yes, I can't tell from this which 20 patents were being  
11:32:13 2 debated.

11:32:13 3 Q. The 20 patents that Apple -- that Qualcomm presented  
11:32:16 4 claim charts on, correct?

11:32:18 5 A. Yes, I'm suggesting I don't know which 20 that was.

11:32:21 6 Q. Okay. But you know there were 20 presented, from  
11:32:24 7 Ms. Mewes's testimony, fair?

11:32:25 8 A. From that testimony, that's what I know, yes.

11:32:27 9 MR. SHEASBY: And let's pull up PDX-5.52.

11:32:44 10 THE TECHNICIAN: Which one?

11:32:45 11 MR. SHEASBY: 5.52.

11:32:54 12 Q. (By Mr. Sheasby) And this is an internal document from  
11:32:56 13 Apple, correct?

11:32:56 14 A. Yes, I believe it is.

11:32:58 15 Q. It's PX-1491a, correct?

11:33:02 16 A. Yes, sir, that's correct.

11:33:03 17 Q. And it says Apple had the plan to hurt Qualcomm  
11:33:06 18 financially and to put Qualcomm's licensing model at risk,  
11:33:11 19 correct?

11:33:11 20 A. Yes, that's what this chart says.

11:33:14 21 Q. And Qualcomm licenses its SEPs and generates revenue  
11:33:18 22 based on them, correct?

11:33:18 23 A. That's not my understanding of what they do.

11:33:25 24 Q. You don't know if Qualcomm licenses its standard  
11:33:31 25 essential patents?



11:33:31 1 A. I'm not aware that they license them separately from  
11:33:35 2 their whole portfolio. That's not the position they took  
11:33:37 3 with us.

11:33:38 4 Q. Well, we'll -- we'll go there in a -- this document  
11:33:48 5 says that Apple's plan was to hurt Qualcomm financially and  
11:33:51 6 to put Qualcomm's licensing model at risk, correct?

11:33:54 7 A. That's what this document says, correct.

11:33:54 8 (Transcript sealed.)

11:33:54 9 (This portion of the transcript is sealed  
11:33:54 10 and filed under separate cover as  
11:33:54 11 Sealed Portion No. 10.)

11:34:16 12 (Transcript unsealed.)

11:34:16 13 MR. MUELLER: Your Honor, we have to seal the  
11:34:17 14 courtroom for this portion of the testimony. I didn't know  
11:34:20 15 this was coming up. I ask that the question and the answer  
11:34:23 16 be sealed, and that the courtroom be sealed if Mr. Sheasby  
11:34:25 17 wants to get into this material.

11:34:26 18 MR. SHEASBY: I'll -- I'll -- I'll -- I will ask  
11:34:30 19 it without reference to a number, Your Honor, so we don't  
11:34:32 20 have to seal the courtroom.

11:34:34 21 THE COURT: I'll order the exchange just  
11:34:36 22 undertaken where a specific number was used sealed.

11:34:39 23 MR. SHEASBY: Thank you, Your Honor.

11:34:40 24 Q. (By Mr. Sheasby) After Apple said to Qualcomm, we  
11:34:44 25 don't infringe the 20 claim charts you gave us, and after

11:34:49 1 Apple had a document about hurting Qualcomm financially and  
11:34:51 2 putting Qualcomm's licensing model at risk, what Apple  
11:34:57 3 ultimately did was it ultimately paid Qualcomm a  
11:35:01 4 significant amount of money, correct?

11:35:03 5 A. There was a settlement and we transferred money, I  
11:35:06 6 agree.

11:35:07 7 Q. And that was paid to Qualcomm after a number of years  
11:35:11 8 of dispute, correct?

11:35:14 9 A. Yes, I think that's right.

11:35:17 10 Q. And during those years of dispute, Apple was able to  
11:35:20 11 keep that money and not pay it to Qualcomm, correct?

11:35:26 12 A. Yes.

11:35:30 13 Q. Now, Qualcomm has historically paid you \$7.50 for --  
11:35:45 14 has -- has historically charged you a \$7.50 percent  
11:35:50 15 royalty -- \$7.50 royalty, correct?

11:35:53 16 MR. MUELLER: Again, Your Honor, are we sealing  
11:35:55 17 the courtroom for these questions.

11:35:57 18 MR. SHEASBY: Your Honor, it was -- it was public  
11:35:58 19 in a proceeding.

11:36:01 20 MR. MUELLER: And I'm just not sure where he's  
11:36:04 21 going.

11:36:04 22 THE COURT: I'm going to order the courtroom  
11:36:05 23 sealed. That way we won't have to have these discussions  
11:36:09 24 back and forth about whether it should or shouldn't be  
11:36:12 25 protected.

11:36:12 1 Those of you present who are not subject to the  
11:36:16 2 protective order in this case or are aligned with Defendant  
11:36:19 3 Apple should excuse yourselves from the courtroom at this  
11:36:27 4 time and remain outside until the courtroom is reopened and  
11:36:30 5 the public is invited to return.

11:36:32 6 (Courtroom sealed.)

11:36:32 7 (This portion of the transcript is sealed  
11:36:32 8 and filed under separate cover as  
11:36:33 9 Sealed Portion No. 11.)

11:58:29 10 (Courtroom unsealed.)

11:58:29 11 THE COURT: With that, we stand in recess until we  
11:58:32 12 return from lunch.

11:58:33 13 COURT SECURITY OFFICER: All rise.

11:59:03 14 (Jury out.)

11:59:04 15 THE COURT: Be seated, please.

11:59:06 16 Who do you have next to call, Mr. Mueller?

11:59:09 17 MR. MUELLER: Your Honor, we'll next call  
11:59:11 18 Dr. Kaushik Josiam, one of the chip engineers.

11:59:14 19 THE COURT: All right. Let me ask the question a  
11:59:16 20 different way. What do we need to cover as regards  
11:59:23 21 disputes between the parties that weren't resolved this  
11:59:26 22 morning because the parties failed to follow the Court's  
11:59:29 23 instructions about advising the Court in a timely fashion  
11:59:35 24 regarding demonstrative disputes and other contested  
11:59:37 25 issues?

11:59:39 1 As I told you in chambers this morning, we covered  
11:59:42 2 what we could to get to the lunch hour. I'm trying to  
11:59:45 3 decide how much of the lunch hour I need to work with  
11:59:48 4 counsel and how much of the lunch hour I need to observe as  
11:59:50 5 a typical lunch hour. I need some input from you all.

11:59:55 6 MR. SHEASBY: Your Honor, I have a suggestion.

11:59:56 7 I think you should order Mr. Mueller and I to sit  
12:00:02 8 with each other for 10 minutes immediately right now to go  
12:00:05 9 through the outstanding disputes, and then come -- and  
12:00:07 10 we'll ring the buzzer and tell you -- we'll bring a sheet  
12:00:11 11 that has the stuff that's no longer in dispute crossed out.  
12:00:14 12 I think that's what we should do.

12:00:16 13 THE COURT: Mr. Mueller, do you have a problem  
12:00:17 14 with that?

12:00:18 15 MR. MUELLER: No, Your Honor.

12:00:19 16 THE COURT: All right. Lead counsel for the  
12:00:22 17 parties will meet and confer for the next 10 or 12 minutes.

12:00:25 18 After that, you'll advise the Court as to the  
12:00:28 19 extent and particulars with regard to any outstanding  
12:00:31 20 disputes that we need to resolve before we can move forward  
12:00:35 21 with these witnesses.

12:00:37 22 But as I told you in chambers this morning, your  
12:00:40 23 failure to comply with my instructions on how to bring  
12:00:43 24 these issues to resolution is not going to delay the  
12:00:47 25 ongoing progress of this trial.

12:00:49 1 MR. SHEASBY: I understand, Your Honor.

12:00:50 2 THE COURT: Court stands in recess.

12:00:51 3 COURT SECURITY OFFICER: All rise.

12:00:52 4 (Recess.)

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# CERTIFICATION

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10 I HEREBY CERTIFY that the foregoing is a true and  
11 correct transcript from the stenographic notes of the  
12 proceedings in the above-entitled matter to the best of my  
13 ability.

14

15

16 /S/ Shelly Holmes  
SHELLY HOLMES, CSR, TCRR  
17 OFFICIAL REPORTER  
State of Texas No.: 7804  
18 Expiration Date: 12/31/20

8/6/2020  
Date

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